

LOBBYING

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Lobbying

CHAPTER I

INTRODUCTION

THIS study has to do with the lobby, oftentimes called the "Third House," or the "Assistant Government," or again the "Invisible Government." It is a study of the institution through which influence is brought to bear upon legislators and administrators.

The lobby in this country has anything but a desirable reputation. The feeling among people is of long standing that the lobby is the special creation of "big business interests" which use it to procure or defeat legislation. It is held responsible for much of the legislation which is not enacted in the public interest. It is accused of all sorts of questionable methods used to secure its ends. The word lobbyist has secured such an odorous connotation that those now falling in that class choose to call themselves something else: legislative agent, legislative counsel, legislative representative, and so on, and organizations whose chief activities have to do with influencing legislation rise in wrath if the organizations be termed lobbying organizations.

For the most part people have formed their opinions about the lobby from the abuses that have taken place. The institution has not been sufficiently studied to see if it is performing useful services. It has not been well enough analyzed to determine the extent to which it exists—how important a part it is playing in legislation, and whether the methods of the present day lobby differ from those of the old malicious lobby. There has not been sufficient careful inquiry into

the reasons underlying the development of the system. Is the lobby a protest against the established system of representation? Does it indicate that public opinion is not finding satisfactory expression in legislative halls? Does it serve notice on political parties that their usefulness is limited? Or what reasons operate?

This study proposes to throw some light upon those questions by giving evidence of lobbying activity, by presenting a view of the organizations formed to influence legislative and administrative action, and by discussing methods used by lobbyists. An inquiry will be made into the broad effects of lobbying activities, and one part of the study will undertake to show the attempts which are under way to regulate the institution.

The forms of organization for influencing legislation are of such diverse kinds and the methods of using influence so many and varied that any definition of lobbying which would include them must necessarily be very broad. Such a definition cannot be made in a short sentence.

Senator Caraway in the bill to regulate lobbying, which was passed by the Senate at the last session, defined a *lobbyist* as "one who shall, whether for pay or otherwise, attempt to influence legislation, or to prevent legislation, by the National Congress," and defined *lobbying* as "any effort to influence Congress upon any matter coming before it, whether it be by the distribution of printed matter, appearance before committees of Congress, interviewing or seeking to interview

individual members of the Senate or House, or by any other means."¹

Ex-Senator Thomas of Colorado defined lobbying some fifteen years ago as "implying the power of threat or the use of bribery," and stated, that "any effort to substitute for the public interest a private interest should be brought within the definition." The lobbyist, he said, "is a man who tries to induce the legislator to forget temporarily all the people and to do something that will promote the fortunes of a single citizen or a group of citizens."² A committee of the House, appointed in 1913 to investigate lobbying activities defined lobbying as the activity of "a person or body of persons seeking to influence Congress in any way whatsoever."

A bill to regulate lobbyists introduced by Representative Schafer in the lower House of Congress provides for the regulation of the activities of any person who directly or indirectly gives or offers to give any money or property to any person for procuring the passage or defeat of legislation or upon the contingency of the passage of legislation, or any person who acts as an agent or attorney of any person in attempting to influence legislation before Congress or any committee thereof without first making known his true interest in the legislation.³

In another bill for regulating lobbying, introduced in the House by Representative Griffin, every person, whether acting for himself or who is employed by any individual or organization to promote or oppose legislation directly or indirectly, is included.⁴ Still another bill, introduced in the House by Representative Browne, makes the definition of a lobbyist turn upon the

question of whether the person is engaged in promoting or opposing legislation which affects the pecuniary interests of any individual, association, or corporation, as distinct from those of the whole people of the United States.⁵

Some of the states in their laws regulating lobbying have attempted to define the practice. The Wisconsin law contains the comprehensive definition as service which has for its purpose influencing any member of the legislature to vote for or against any measure, such service being performed by legislative counsel or agents employed for compensation and representing pecuniary interests of individuals, associations, or corporations as distinct from those of the whole people of the state. Services include influence exerted by appearances before the regular committees, or by newspaper publications, by public addresses, by written or printed statements, arguments or briefs delivered to members of the legislature.⁶

The Massachusetts law regulating lobbying includes within the law legislative counsels and agents who for compensation attempt to influence legislation by appearing before committees or by other acts.⁷ In Georgia lobbying consists in personal solicitation not addressed "solely to the judgment of the legislators."⁸ In Idaho services for pecuniary consideration is the key word.⁹ Louisiana defines lobbying as "an attempt to influence the action of a member of the legislature by any method other than appealing to his reason."¹⁰

¹ *Ibid.*, H. R. 7202.

² *Wisconsin Stat.* 1915, sec. 4482 and 4482a.

³ *Laws of Massachusetts*, 1921, Chapter 3, sec. 39.

⁴ *Laws of Georgia*, 1923, p. 43.

⁵ *Idaho, Compiled Statutes*, 1919, sec. 8137.

¹⁰ *Wolf's Statutes*, 1920, p. 657.

¹ S. 1095, 70th Cong., 1st Session.

² *World's Work*, September 1913, p. 541.

³ H. R. 6098, 70th Cong., 1st Session.

⁴ *Ibid.*, H. R. 423.

Professor Munro divides lobbyists into two groups. The lobbyists in one group do their work "frankly and above board." They present facts and arguments but never by any form of political coercion. In the other group are those who have "no compunction about the visibility of their work. Their business is to cajole or coerce as the tactics of the moment may dictate."¹ Professor Holcombe uses the word lobby as the collective name for persons who make it their business to instruct members of the legislature.²

The definition of lobbying used in this study includes parts of several of the definitions given above. It is as broad as the definition of the investigating committee of 1913, that lobbying includes activities of a person or body of persons who attempt to influence legislation in any way whatsoever. As in the Caraway bill it includes activities whether for pay or not. It need not be in connection with legislation which affects the pecuniary interests of persons or organizations. The activities may or

may not appeal to the reason of the legislators. All activity is included regardless of where it takes place so long as its purpose, either immediately or ultimately, is to influence legislative or administrative action. It includes activities of all nature whether they be above board or concealed, legal or illegal, proper or improper.

With such a broad definition of lobbying no one who finds himself classed as a lobbyist in the following pages should become aroused. The word "lobbyist" is given to individuals, associations, and organizations who engage in attempts to influence legislation. While the same term is applied to those who use either legitimate or illegitimate influence there is no intention to indicate that the activities of the two groups are at all alike. There is no attempt to classify those who use influence although there will be an effort made here and there in the study to draw some conclusions as to what constitutes proper and what improper lobbying.

CHAPTER II

EVIDENCE OF LOBBYING ACTIVITY

LOBBYING activity is by no means a new development in American politics. Methods of influencing legislation have changed somewhat from decade to decade, but one form or another has been used by those seeking favorable action from legislators for many years. Bryce, writing in 1895, stated that the Capitol and the hotels at Washington, D. C., are a nest of intrigues and machinations while Congress is sitting.³ Correspondence in

the years 1876-78 between Mr. Huntington, one of the proprietors of the Central Pacific Railroad who then represented that corporation at Washington, and one of his agents in California showed that when the railroad's land grants were threatened by hostile bills it defended itself by constant dealings with Senators and Representatives in the course of which money and bonds were offered.^{4, 5}

¹ W. B. Munro, *Invisible Government*, p. 103.

² A. N. Holcombe, *State Government*, p. 277.

³ James Bryce, *The American Commonwealth*, Vol. II, p. 159.

⁴ In one letter Mr. Huntington spoke of Senators as he might of box cars: "Scott has switched off (i.e. off the Central Pacific track and on to his own railroad track) Senators S. and W., but you know they can be switched back with

In the Credit Mobilier investigation it was shown that stock had been distributed to members of Congress in return for legislative favor. As a result of the investigation one Senator was recommended for expulsion¹ and two members of the House were censured. The Congressional lobby of that period was described as "a quiet but efficient part of governmental machinery,"^{2, 3}

LOBBYING AT STATE CAPITOLS

Lobbying activity was also going on at the State capitols. In 1891 Governor William E. Russell addressing the Massachusetts legislature pointed out that there existed in that state a lobby representing or preying upon special interests. It sought, he said, to control nominations and elections and to subject the individual legislator to secret and improper influences.⁴ A committee of investigation of the lower house in Massachusetts reported that a body of professional lobbyists

the proper arrangements when they are wanted. (Cited by Bryce, *The American Commonwealth*, Vol. II, p. 160.)

¹ The report of the U. S. Pacific Railway Commission said of those transactions: "There is no room for doubt that a large portion of the sum of \$4,818,000 was used for the purpose of influencing legislation and of preventing the passage of measures deemed to be hostile to the interests of the company and for the purpose of influencing legislation." Report page 84. (Cited by Bryce, *The American Commonwealth*, Vol. II, p. 160.)

² His term was soon to expire and no action was taken.

³ Perley Poor, *Reminiscences*, Vol. II, p. 515.

⁴ On one occasion, it is related, Senator J. S. Morrill, Chairman of the Finance Committee, called the attention of the Senate to the fact that the President of the Pennsylvania Railroad was in the lobby outside the chamber and ironically offered the motion that a committee be appointed to wait on him and learn whether there was any further legislation he desired before they adjourned. (Richard Boeckel, *Editorial Research Reports*, p. 215.)

⁵ *Message to Massachusetts Legislature*, 1891.

had for years formed part of the machinery of legislation.

La Follette, as Governor of Wisconsin, in addressing the Legislature in 1905 warned the legislators against a system of lobbying which he said had been maintained about the Legislature for many years. The school-book lobby, he pointed out, had suppressed or defeated legislation inimical to the interests of the school-book monopoly; a telephone monopoly in the State, through the services of a paid lobby, prevented the enactment of a statute which would have established competitive service; a railway lobby defeated the bill to increase railway taxes in 1899, a bill to increase taxes again in 1901, a bill to create a rate commission in both those sessions, and again in 1903. It was boasted about the capitol by a railway lobbyist, said La Follette, that in the previous sixteen years no bill had been enacted in the interests of the people when objected to by the railroads.⁵ Similar experiences were encountered in other states with the railway lobby in establishing their rate commission and with lobbies for other purposes.⁶

LOBBYING REVEALED IN NEW YORK INSURANCE INVESTIGATION

The investigation of the New York insurance companies which occurred in 1906 gave excellent evidence that lobbying on a large scale has not arisen within the last few years. Testimony before the investigating committee showed that there had been activity on

⁵ Message of Governor La Follette to Wisconsin Legislature, May, 1905.

⁶ In 1905 the Governor of Kansas ridded the legislature of the Standard Oil lobby by threatening an investigation. The Governor of Missouri promulgated rules requiring lobbyists to register every time they came to the capitol and allowed them to stay only thirty-six hours at a time in Jefferson City. (Paul S. Reinsch, *Legislatures and Legislative Methods*, pp. 255-6.)

the part of insurance companies to control legislation not only in New York State but in every state in the union. At every state capitol at least one representative was stationed to watch legislation, their names kept secret for the reason, as the companies stated, to prevent blackmailing and attacks by cranks and to prevent stirring up legislators against non-voting or corporate interests.¹ Evidence was given showing that the representatives at the State capitols suppressed movements in advance,² they secured pledges in advance through the help of influential persons, made arrangements with clerks of committees to furnish information regarding bills, and used the public press to bring the pressure of opinion against the legislators. At Albany testimony revealed further activities. There a house was maintained by the Mutual Life Insurance Company and legislators were entertained, two of the members of the Insurance Committee of the Senate lived there during the session of the Legislature and no evidence appeared that they paid anything for their accommodations.³

For the purpose of effectively watching legislation in all the states the three New York insurance companies involved in the investigation⁴ divided the country into three districts, each taking the responsibility for watching legislation in a district.⁵ The chief

method of watching the legislatures was, as has already been stated, that of placing representatives at the State capitols, putting out literature to create sentiment against taxation of insurance companies, and taking part in nominating and electing representatives. Money was used in campaigns upon the expectation that candidates thus aided would support the interests of the companies.⁶ And evidence was given showing that money was paid to Boss Platt by the insurance companies, thus winning to the side of the companies the control which he held over legislators.^{7, 8}

The investigating committee upon finishing its inquiry and making its report stated that "nothing disclosed by the investigation deserves more serious attention than the systematic efforts of the large insurance companies to control a large part of the legislation of the state . . . they (the insurance companies) have been leagued into an offensive and defensive alliance to procure or prevent the passage of laws affecting not only insurance but a great variety of important interests to which through subsidiary companies or through the connections of their officers they have become related. Enormous

sin, Iowa, Nebraska, Kansas, Missouri, Tennessee, and Oklahoma.

The three companies looked after New England and the middle states. Expenses were divided equally among the three companies.

¹ Testimony—Legislative Life Insurance Investigating Committee, Vol. 7, p. 5871.

² *Ibid.*, p. 5872.

³ *Ibid.*, Vol. III, p. 2074.

⁴ New York Life, Mutual Life Insurance Company, and Equitable Assurance Company.

⁵ Mutual Life had Virginia, North Carolina, Alabama, Kentucky, Ohio, Michigan, Minnesota, Washington, Oregon, and New Mexico.

Equitable Life had Maryland, South Carolina, Georgia, Louisiana, Mississippi, Texas, Colorado, Arkansas, California, and Nevada.

New York Life had Indiana, Illinois, Wisconsin,

⁷ *Ibid.*, Vol. 4, p. 3154

⁸ A representative of the New York Life Insurance Company received in ten years upwards of \$1,000,000 from the Company in connection with its bureau of legislation and taxation. He fled to Europe when he saw the plans for an investigation and the purposes of his expenditures were not discovered. The representative for the Mutual and Equitable also remained beyond the Committee's jurisdiction during the investigation. Testimony—Legislative Life Insurance Investigating Committee, Vol. 10, p. 398.

sums have been expended in a surreptitious manner.”¹

The insurance companies felt that their salvation from state legislators lay in the control of insurance throughout the states being taken over by the Federal Government, and they accordingly put out a great deal of propaganda to bring that about. Also a representative was retained in Washington to promote the introduction of a bill for federal supervision.²

LOBBYING AND THE PURE FOOD BILL

In 1906 the Pure Food bill was before Congress and brought lobbyists swarming to Washington. “It was amusing,” said Robert M. Allen, “to see the lobbyists come hurrying back from their vacations to the Raleigh and the Willard.”³ The reasons for the prolonged failure of the Pure Food bill, even with the great pressure for adoption behind it, is doubtless due in large part to the pressure business interests of one kind or another were bringing on Senators and Representatives. Some of the businesses which the Pure Food bill would affect, especially liquor manufacturers, maintained nation-wide organizations which with their affiliations reached into election precincts and helped to elect Congressmen friendly to their interests and to defeat the unfriendly ones. At Washington those interests maintained lobbies “closely knit and ably captained,” said Mark Sullivan.⁴

The National Wholesale Liquor Dealers Association, perhaps the most powerful and effective enemy of pure food legislation, in a report to its members set forth the activities of the Association in opposing such bills.

¹ Testimony—Legislative Life Insurance Investigating Committee, Vol. 10, p. 398.

² *Ibid.*, Vol. 2, p. 1481.

³ Mark Sullivan, *Our Times*, p. 549.

⁴ *Ibid.*, p. 527.

The report addressed to the Wholesale Wine and Spirit Trade ran: “We are today mailing you the argument of our General Counsel, Mr. W. M. Hough, against the discriminating features of the Heyburn Pure Food bill. This, together with his arguments against the Hepburn-Dolliver Prohibition bill, exhibits a small part of the work of this Association which has prevented these measures from becoming laws at the last two sessions of Congress.”⁵

Congressman James R. Mann, who led the fight for the Heyburn Pure Food bill in the House, told of the effective opposition of the patent medicine makers and their trade organization “The Proprietary Association of America.” “The Proprietary Medicine Association is a powerful organization,” he said, “because it is the greatest advertiser that there is in the papers of the country.” Congressman Slayden of Texas agreed that the opposition to the Heyburn measure was “largely controlled, inspired, and directed by a tremendous lobby representing the manufacturers of patent or proprietary medicines.” “Somewhere back of it all” he said, “there has been a power that seemed irresistible.”⁶

The method by which the patent medicine makers made use of their large volume of advertising to bring about opposition to pure food legislation was well shown by the minutes of a meeting of the Proprietary Association of America, a copy of which was secured by *Colliers Weekly*. In the meeting of the Proprietary Association ways and means of preventing adverse legislation were discussed, and in the speech of the President of the Association, the manufacturer of Hall’s Catarrh Cure, the explanation was made that he had used in his business for two

⁵ *Ibid.*, p. 527.

⁶ *Ibid.*, p. 528.

years a plan "whereby we will have no difficulty whatever."¹

The plan was to shift the responsibility for controlling legislation to the newspapers in which they advertised, a number somewhere around fifteen thousand. Responsibility was to be shifted by the company by inserting in its advertising contracts a clause reading: "It is mutually agreed that this contract is void if any law is passed in your state prohibiting the manufacture or sale of proprietary medicines."² With that clause inserted the manufacturer would then wire or write to each paper in the state whenever patent medicine legislation appeared urging their activity in opposing the legislation, telling them that the legislation if passed would force them to discontinue advertising in that state, and calling their attention to the contract.³

Another clause from the contract of the manufacturers of Hood's Sarsaparilla stated that in case national or state legislation should be enacted adverse to the manufacture or sale of proprietary medicine "the contract would become void."⁴

Cases were cited by *Colliers* in which newspapers had protested against proposed action by the legislatures and in which legislation had been prevented.

In the face of such strong opposition it is interesting to inquire into the forces promoting the Pure Food bill. The American Medical Association was the outstanding friend of the bill. That Association, through the Chairman of its Legislative Council, brought tremendous pressure upon Senator Aldrich, who was the leader of the opposition in the Senate, by showing him that the Association had back of it 135,000 physicians all organized local-

ly into about 2,000 county units, each member instructed to act not only himself but to stir up his patients and friends to bring pressure on the Senate. Furthermore the Chairman of the Legislative Council threatened to carry the Pure Food bill into partisan politics if necessary.⁵

The work of the American Medical Association bore fruit and public feeling ran high throughout the country. Although there were other factors⁶ aiding in securing the passage of the bill in the Senate it cannot be doubted that the influence exerted by the American Medical Association and its followers was chiefly responsible for winning over the Senators. The Senate had maintained its opposition to the measure for seventeen years and had it not been for the lobbying of the American Medical Association there is no telling how or when the lobbying on the other side would have been overcome.

In the House the Pure Food bill was carried along with the Meat Inspection amendment to the Agricultural Appropriation bill and was passed as an outcome of the intense feeling that had been stirred up throughout the country in favor of meat inspection.

No doubt the extensive lobbying

⁵ *Ibid.*, p. 533.

⁶ The circumstances surrounding the passage of the bill were told by ex-Senator Beveridge of Indiana in 1927, shortly before his death, to Mark Sullivan: "The Senate was in a jam and public feeling had become intense. Aldrich came to me one afternoon and said: 'Tell Heyburn if he asks consideration for the Pure Food bill there will be no objection.' (Some fight was going on between us and the Old Guard and this was obviously a maneuver to save something else they thought more important. I think perhaps they counted on killing the Pure Food bill in the House later but I cannot recall certainly.) So I went to Heyburn and told him to bring up the Pure Food bill instantly and the Old Guard would not block him." (Mark Sullivan, *Our Times*, p. 534.)

Also Mark Sullivan reports that Roosevelt made a personal appeal to Aldrich, who was persuaded to withdraw his opposition.

¹ Mark Sullivan, *Our Times*, p. 529.

² *Ibid.*, p. 529.

³ *Ibid.*, p. 529.

⁴ *Ibid.*, p. 529.

activities centering around the Pure Food bill had much to do in turning the attention of Congress to attempts to curb the lobby. In 1907 three bills were introduced in the House, one to prohibit lobbying at the national Capitol,¹ one to prevent lobbying at the National Capitol in behalf of railroads engaged in interstate commerce,² and one to prevent the unlawful employment of Senators and Representatives as attorneys.³ Nothing came of the bills, but they show clearly the awakening to the part influence of lobbyists was having in putting through or defeating legislation and to the growing feeling that their activities, when allowed free play, were undesirable.

THE LOBBY INVESTIGATION OF 1913

Lobbying activities, especially in connection with tariff legislation, had reached such proportions during the sixty-second Congress that President Wilson, seeing the lobbyists' effective opposition to bills he sponsored, pointed out their effects in a statement to the press.⁴ Following the President's

¹ H. R. No. 25617, 59th Cong.

² H. R. No. 25767, 59th Cong.

³ H. R. No. 25369, 59th Cong.

⁴ Statement of President Wilson: "I think that the public ought to know the extraordinary exertions being made by the lobby in Washington to gain recognition for certain alterations of the tariff bill. Washington has seldom seen so numerous, so industrious, or so insidious a lobby. The newspapers are being filled with paid advertisements calculated to mislead the judgment of public men not only, but also the public opinion of the country itself. There is every evidence that money without limit is being spent to sustain this lobby and to create an appearance of a pressure of public opinion antagonistic to some of the chief items of the tariff bill. It is of serious interest to the country that the people at large should have no lobby and be voiceless in these matters, while great bodies of astute men seek to create an artificial opinion and to overcome the interests of the public for their private profit. It is thoroughly worth the while of the people of this country to take knowledge of this

statement and certain revelations made by the *New York World*, two committees of Congress, one from each chamber, investigated lobbying activities.

Extensive lobbying activities were discovered. It was found that the National Association of Manufacturers and the American Federation of Labor were engaged in a violent controversy with much of the fighting taking place around the Capitol. The House Investigating Committee found that the National Association of Manufacturers was interested chiefly in three bills which favored labor: that limiting the right of workmen to contract as to the amount of time they shall labor, that limiting the power of courts of equity to issue the writ of injunction, and one providing for the exclusion of organized labor from the provisions of the Sherman law. Those three were the chief measures for opposition, but besides those from time to time the National Association of Manufacturers took an interest in workmen's compensation legislation, industrial and vocational education, merchant marine legislation, the creation of a tariff commission, all legislation which would permit unionization of government employees, and proposals to prevent the transportation in interstate commerce of articles made by child labor.⁵

The National Association of Manufacturers.—In order to effectually influence legislation, the National Association of Manufacturers was instrumental in forming an organization known as the National Council for Industrial Defense, consisting of about 250 member associations throughout the country. It was found that the new organization was largely the crea-

matter. Only public opinion can check and destroy it."

⁵ Report No. 118—63rd Congress, 2nd Session, pp. 15 and 16.

tion of the National Association of Manufacturers and in the work performed the two were practically one. The President of the Council testified that the National Council for Industrial Defense was the mouthpiece of the National Association of Manufacturers.¹

The stated purposes of the new organization were three-fold: to establish and maintain a legislative bureau, a legal bureau, and a bureau of publicity and education. The purpose was shown further by the President of the National Association of Manufacturers in calling the meeting to form the National Council for Industrial Defense when he stated that "Congress will again be in session in a short time and it is more essential than ever to give the most careful attention to federal and state legislation."² The House Committee came to the conclusion that the National Council for Industrial Defense was formed and kept in existence for two reasons: It enabled the centralization for particular work, especially political and legislative effort in which a number of organizations and associations, the National Association of Manufacturers chiefly, were interested. In the second place, through the instrumentality of the National Council for Industrial Defense the National Association of Manufacturers and other affiliated associations were enabled to more conveniently and expeditiously engage in political and legislative activities and make expenditures which would not have been permitted the National Association of Manufacturers by the terms of its charter under the laws of the State of New York.³

In order to exert influence to bring

about the formation of a tariff commission the National Association of Manufacturers called a convention of those interested in Indianapolis in 1909. Members of Congress were sounded to determine their views on the subject and verbal invitations were given them to attend the Indianapolis Convention.

At the convention a committee of one hundred was appointed and at the same time, or shortly thereafter, the National Tariff Commission Association was formed. The purpose of the Commission was to work for the establishment of a permanent tariff commission. As far as the investigating committee discovered, the National Association of Manufacturers was the chief financial supporter of the National Tariff Commission Association.⁴ There can be no doubt that the establishment of the Tariff Commission was due in large part to the activities of the National Tariff Commission Association.

In order to participate in the election of legislators, that "right-minded" legislators might be elected, the National Association of Manufacturers was instrumental in forming Workingmen's Protective Associations in different sections of the country. It was through these organizations that a large part of the political "field work" was done, the field work in question being the opposition of candidates supported by labor.

An agent of the National Association of Manufacturers was charged with the promotion of the field work. Information was given to show that he participated in the election of representatives in many states.⁵ His chief work consisted in proselyting members of labor unions along political lines and doing it through the use of money.⁶

¹ Report No. 113—63rd Congress, 2nd Session, p. 7.

² *Ibid.*, p. 6.

³ *Ibid.*, p. 8.

⁴ *Ibid.*, p. 8.

⁵ *Ibid.*, p. 34.

⁶ Mulhall in his testimony gives an example of

A good example of how lobbying activities on the part of groups turn to elections was afforded in a district in Maine in 1906 in which Mr. Littlefield was a candidate. The two groups chiefly interested in the election were the National Association of Manufacturers and the American Federation of Labor—the latter opposing Littlefield, the former giving support. Campaign funds were furnished and workers employed. Two agents of the National Association of Manufacturers personally went to the district and took part in the contest, one in both the nominating campaign and election, the other in the election campaign.¹

The American Federation of Labor.—The Committee found that beginning with its participation in the Littlefield campaign the American Federation of Labor started out on a policy of influencing the election of legislators favorable to its interests. A "bill of grievances" drawn up in 1906 reciting among other things a belief that Congress was manifesting indifference toward legislation which the American Federation of Labor was demanding, was presented to the President, the President *pro tem.* of the Senate, and the Speaker of the House, threatening that, if Congress did not heed, the Federation would "appeal to the conscience and the support of fellow citizens." Since that time the Federation has often given support to its friends in election campaigns and today has a settled policy for so doing.

Other forms of lobbying activities

the kind of political activity he engaged in as shown in an election in a New Jersey district. The American Federation of Labor sent 75,000 circulars into the district but the labor workers in charge of the circulars were bought off for \$1,800 to turn over the whole bunch. (Hearings, 63rd Congress, 1st Session, 1913, p. 2493.)

¹ Report No. 113—63rd Congress, 2nd Session, p. 37.

were discovered by the House Committee. Both the National Association of Manufacturers and the American Federation of Labor had used their influence in securing appointment of desired members to committees. The National Association of Manufacturers through its agents was able to secure the appointment of designated members to the sub-committee of the House Labor Committee. Five members were suggested for appointment and all were appointed.² The Investigating Committee found that the National Association of Manufacturers and the National Council for Industrial Defense "felt a deep interest in the personnel of the Judiciary and Labor Committees" and that "that interest was at times evinced by expressions from its representatives and officials."^{3, 4, 5}

² Report No. 113—63rd Congress, 2nd Session, p. 32.

³ Report No. 113—63rd Congress, 2nd Session, p. 32.

⁴ A letter from an agent of the National Association of Manufacturers stated that "the most important work he (Mulhall) can do here between now and the end of this session is to strengthen the House Judiciary Committee as much as possible and that a direct promise, if it can be had, be gotten that Malby and Denby can be placed on a special sub-committee for all labor bills." (Report No. 113—63rd Congress, 2nd Session, p. 72.)

⁵ Two telegrams were introduced during the hearings—one from Mulhall to Senator Watson stating, "It is extremely important and great favor to me if you will wire Speaker to have Harry Coudrey placed on Rivers and Harbors Committee." The second telegram was a reply by Watson stating in part, "Before I left Washington I did what I could with Uncle Joe to get him to name Dave Coudrey on the Committee on Rivers and Harbors. I do not think he will do it. If he does not it will not be any fault of mine as I most earnestly recommended him. I did this on your account because you wanted it done and I told the Speaker you were interested in Coudrey. I therefore tried to impress on him that Coudrey should succeed Ellis on that Committee." (Report No. 113—63rd Congress, 2nd Session, pp. 72 and 73.)

The American Federation of Labor was chiefly interested in the personnel of the Committee on Labor in the House. Influence was used to secure the appointment of a desired member as Chairman of that Committee during the fifty-fourth, sixty-second and sixty-third Congresses. All the members indorsed for the chairmanship of the Committee were appointed.¹

In order to keep in closer touch with legislation the agents of the National Association of Manufacturers had working agreements with House employees. The chief page of the House was found to be in the employ of the agents from 1909 to 1912 and arrangements had been made with other employees. By means of arrangements with House employees public documents, bills, reports, etc., were obtained, information was secured as to the status of bills before committees, the date of hearings was made known, advance information as to proposed changes in bills was secured, an access to members on the floor was obtained, and preferences were forthcoming in obtaining interviews.²

Summary of Methods used.—Through out the investigations of lobbying activities in Washington during that period several forms of lobbying stand out. Lobbyists were on hand at the Capitol using their influence directly upon representatives.³ A close watch was kept on bills while in committee and on the floor by the lobbyists so that they could use their influence upon members at the proper time. Steps were taken to secure desired committee appointments and efforts were made to help elect or defeat Congressmen. It was

through this latter method that the lobbyists secured their hold upon Congressmen to gain for them a sympathetic ear, when appealed to.

Activities of Tariff Lobbyists.—All lobbyist activities during this period were not confined to the struggle between the National Association of Manufacturers and the American Federation of Labor. Activities by other lobbyists were especially strong when tariff legislation was to the fore. When the Payne-Aldrich bill was under discussion the Hosiery Manufacturers Association alone had a hundred and fifty members in Washington presenting their view to congressional committees.⁴ The Home Market Club of Boston, an organization formed to promote the cause of protection to American industries, took an active part in attempting to influence legislation during the discussion of that bill and others. The secretary testified that sixty members of the club were in Washington interested in tariff legislation while the Payne Aldrich bill was being considered, the secretary himself being there to, as he said, "handle requests for information." Besides attempting to influence legislation in Washington the club did extensive work in attempting to mold public opinion favorable to protection. A magazine was published and the secretary estimated that in twenty-five years more than 100,000,000 circulars had been sent out, some of the circulars going to newspapers and magazines, public libraries, college reading rooms, and material was furnished to debaters and speakers when opportunities afforded.⁵

The National Association of Wool Manufacturers had its lobby at the Capitol, chiefly interested in raising

¹ Report No. 113—63rd Congress, 2nd Session, p. 33.

² *Ibid.*, p. 42.

³ At least one member of Congress was found to have accepted money from an agent of the National Association of Manufacturers. (*Ibid.*, p. 66.)

⁴ Report No. 113—63rd Congress, 2nd Session, p. 2259.

⁵ *Ibid.*, pp. 2293-98.

the duty on woolen goods from 35 per cent to 50 per cent. Their activities were centered chiefly around the Finance Committee of the Senate, sending remonstrances to the Committee, and making personal appeals to members. The wool manufacturers were opposed by the importers who had their lobby in Washington striving to keep the duty as it was.¹

The sugar lobby was active at the Capitol. Former Senator Charles S. Thomas of Colorado in speaking of the sugar lobby complained that, "I have been a United States Senator only a few months, but the larger part of my time has been spent in warding off approaches and attacks of those public spirited citizens who have been attempting to influence my acts as a Senator by the ostentatious parade of a manufactured public sentiment."² The head of the beet sugar men testified before the lobby investigating committee that he had maintained headquarters in Washington for twenty-three years from which he had kept an eye on Congress. During his activities he had fought the Cuban Reciprocity bill, the annexation of Hawaii, the Wilson tariff bill of 1894, the Dingley bill of 1897, and the Payne Aldrich bill that admitted 300,000 tons of sugar free from the Philippines. One of his agents with a salary of \$15,000 inspired petitions to Congress and induced public men to write letters endorsing his viewpoint and claimed to have prepared the sugar paragraphs in the Republican textbook of 1912. Another agent, drawing a salary of \$10,000, conducted the publicity work and acquired some reputation as a beet sugar statistician and expert. He called his office a research bureau and claimed to have the "finest sugar li-

brary in the world." A pamphlet entitled "Sugar at a Glance" was prepared by him and he succeeded in having it printed as a Senate document and claimed to have had 320,000 copies franked through the mails.

The Hawaiian Cane Sugar Growers maintained headquarters in Washington with a \$10,000 a year secretary conducting activities. A daily sugar bulletin was sent to members of Congress, members of the Cabinet, and the President. The organization resorted to spreading propaganda to influence Congressmen, specializing in sending material to the country press. Boiler plate material and mimeographed editorials, known as canned editorials, were sent to the newspapers ready to print.

Senator Thomas found himself the center of attack by the beet sugar interests because he was a member of the Finance Committee and by winning him and another Senator the tariff provision could be defeated because the Democratic majority in the Senate was so small. In the election campaign in which Thomas was elected he asserted that the beet sugar interests supported Waterman, General Counsel for the Great Western Sugar Company, and that "Sugar at a Glance" was scattered all over the state at government expense.^{3, 4}

While the tariff bill was under discussion telegrams and letters from

¹ *World's Work*, September 1913, p. 542.

⁴ When Thomas went to Washington, according to his statement, the first to go to see him was the President of the Great Western Sugar Company, who said, "Now I am not going to make any bones over saying that we didn't want you as Senator, but you're elected, and why can't we talk this over? We cannot submit to a reduction of more than 25 per cent." Then followed calls by Charles Boetcher of the Great Western Sugar Company, Mr. Oxnard, Mr. Ballou, Mr. Palmer, Ex-Governor Carter of Hawaii and the representatives of Porto Rico. (*World's Work*, September 1913, p. 545.)

¹ Report No. 113-63rd Congress, 2nd Session, pp. 2540-43.

² *World's Work*, September 1913, p. 540.

Colorado poured in asking his support to protect the beet sugar industry. The sugar interests he said got after banks, insurance companies, chambers of commerce, commercial clubs, real estate exchanges, clearing houses, trust companies, milling and elevator companies, and hotels, to join in the fight. The Denver Clearing House, according to his statement sent notices to local banks to join in the protest. One hundred and forty-eight letters of an identical nature were received from banks. The most of the letters in opposition, said Thomas, were neatly typewritten letters—those for the schedule were scratched in long hand on post cards, etc.¹

Senator Thomas secured a copy of a letter which the Great Western Sugar Company wrote to all its employees asking them to write to Thomas to have "free sugar in three years" struck from the tariff bill, the letter telling them some of the plants would have to close if the bill passed. The employees were asked to notify their department heads when they had done so. A model letter was given for the employees to copy and they were requested to state if they were Democrats because a letter from a Democrat in this case would carry weight.²

Letters would come in batches, said Thomas, from one town one day, another the next day, showing that a sugar agent went from town to town.³

WATER POWER LOBBYISTS

The attention of Congress was called to the water power lobby by Congressman Smith of Minnesota in 1916.

Lobbying activities at that time had as their target the Shields and Myers bill which authorized the Secretary of War to grant permits for the building of dams and power plants on navigable streams. According to Congressman Smith lobbyists for several companies were at work.⁴

The Water Power Development Association was formed in New York City to concentrate the activities of organizations interested in power legislation and according to Smith's statement started its career by hiring as its publicity agent the principal publicity man from the office of Secretary Lane of the Interior Department. For Secretary a man was chosen who had been assistant secretary for the Cleveland and Buffalo Chambers of Commerce and the New Jersey State Chamber of Commerce. He was successful in getting a number of commercial clubs throughout the country to indorse the Shields and Myers bill and to have the resolutions forwarded to Congress. According to Smith's statement the resolutions which came in were identically the same from Raleigh, N. C.; Salt Lake City; Carbondale, Pa.; El Paso, Texas; Rome, Ga., and other places.

Besides the work among commercial organizations throughout the country the Association gave attention to the newspapers. Manuscripts were sent to the leading newspapers and were extensively published. The Association, according to its statement, discovered that the smaller country papers could not afford to set the type for articles on general subjects and would

¹ *World's Work*, September 1913, p. 542.

² *Ibid.*, p. 545.

³ A dozen telegrams were received by Thomas during one day with the same wording urging him to vote for open debate on the sugar tariff. All were addressed to Charles H. Thomas when his middle initial was "S."

⁴ Among the companies having lobbyists in Washington according to his statement were Stone and Webster, Utah Power Co., Aluminum Company of America, Westinghouse interests, Du Pont interests, American Cyanamid Co., and the General Electric Co. *Congressional Record*, Vol. 53, 1st Session, p. 12646.

not do so, and so accordingly when the American Press Association made the Water Power Development Association a proposition to send general articles on water power to the country newspapers in the form of boiler plate matter, the proposal was accepted and a contract was made to furnish such service. The service to the newspapers was free to any who accepted.¹

Some of the material sent out was editorial material. It was in plate form and could be used without change or as the basis of editorials. Some of the editorials which were published, said Smith, were subsequently collected and mailed to Congressmen as reprints as though they had originated at the place where they were published.

DYE EMBARGO LOBBYISTS

Extensive lobbying was under way during the discussion of the dye embargo provision in 1921. Senator King called it "the most brazen and offensive of those appearing before the Ways and Means Committee in the last few years." Senator Simunons asserted that "never before in all the history of legislation since I have been here has there been such a powerful lobby around this Capitol as came here in support of the dye embargo provision. . . . They swarmed the corridors," he said, "they forced themselves into the private offices of Senators, they hung around the doors of the Senate Chamber, they could not be shaken off, they yielded to no rebuff, they prevailed with the Finance Committee."²

According to Senator King's statement facts were misrepresented, profits concealed and monopolistic operations hidden. The threat was made against Senator Moses, said Senator King, that if he did not fall in line reprisals would

be taken against Leonard Wood whose political interests Moses was looking after. The American Dye Institute, said Senator King, was shown to have expended more than \$104,000 from January 1, 1920 to December 30 of the same year, and had admitted that more than \$70,000 was charged to legislative expense.³ The Committee of the Senate which investigated the dye lobby found that besides direct lobbying extensive indirect lobbying had been carried on.

The Chemical Foundation was chiefly active in carrying on the indirect lobbying activities. The activities had for their purpose the creation of favorable opinion throughout the country out of which would result the right kind of representatives being sent to legislative bodies and out of which manifestations from the people would be made to legislators favorable to the chemical interests.

The Chemical Foundation in its educational work stressed three points: the relation of chemistry to national defense, the relation of chemistry to medicine, and the relation of chemistry to agriculture. To further the first of those purposes various sums of money were contributed to the National Research Council to enable research to be done showing the place of chemicals in warfare.⁴ To promote the second purpose a statement was circulated broadly which was obtained from the Chemical Society of America entitled "The Future Independence and Progress of American Medicine in the Age of Chemistry."⁵ Plans were underway for showing the relation of chemistry to agriculture at the time of the investigation, but nothing had been done except that copies of a book on *Creative*

¹ *Congressional Record*, Vol. 53, 1st Session, p. 12646.

² *Ibid.*, p. 12806.

³ *New York Times*, September 11, 1921.

⁴ U. S. Senate Hearings, Sub-Comm. of Comm. on Jud., 67th Cong., 2nd Session, p. 407.

⁵ *Ibid.*, p. 407.

Chemistry were sent to agricultural agents who traveled about the country.

Creative Chemistry by Slosson was a book on chemistry which according to the head of the Chemical Foundation so well expressed their viewpoint that they undertook to secure distribution of the book. An agreement was made with the Century Company to forego their profit on the book and also a similar arrangement with the author which enabled the books to be turned over to the Chemical Foundation for 82 cents a volume. The Foundation then went to work making free distribution of the book and in all 73,867 copies were sent out. The book went, as has been stated above, to agricultural agents traveling throughout the country, and besides to chambers of commerce, congressmen and senators, consumers, business men, drug and chemical manufacturers, 6,000 educators of the country, to leading professors and tutors in colleges, to all the trustees of every university in America, to every library in America, to all newspaper editors, paint and oil manufacturers, paper mills, prominent women, all the Rotary clubs, to 7,533 students of chemistry in the universities, to the tanners, teachers' associations, textile manufacturers, and women's clubs. Under the auspices of the Boy Scout Association, 14,848 copies were sent to every boy scout master in America with a letter of directions from their own headquarters requesting that they read the book to the 525,000 boy scouts. A letter was sent with each copy of *Creative Chemistry* to stir up interest, to get up correspondence, and to keep the subject alive. It was soon found, said the head of the Foundation, that interest increased about four-fold.¹

¹ U. S. Senate Hearings, Sub-Comm. of Comm. on Jud., 67th Cong., 2nd Session, pp. 397 and 405.

The Foundation had made a survey of ten states to determine what publicity was being given to their viewpoint and intended to do likewise in the rest of the states. Their plan was to have a local committee working through the state legislature and the universities of each state in developing the matter.²

Further propaganda work was done by the American Dyes Institute. A book was prepared on the relation of the dye industry to national defense entitled *World Disarmament and the Master Key Industry*, and 800 copies were distributed to persons generally including senators and representatives.³

The President of the Organic Chemical Manufacturers Association joined in the work by developing the American Chemical Society news service supported from funds of the American Chemical Society and sent out 800 to 900 bulletins to the newspapers on the subject of chemistry.⁴

It is not contended here that all this propaganda work was for the sole purpose of obtaining a dye embargo. According to the testimony of the head of the Chemical Foundation it was the plan of that organization "to solicit public support until they had taught every man, woman, and child in this country the theory and necessity in their lives and in the life of the country of the development of organic chemistry in all its branches."⁵ The importance of the development of organic chemistry was stressed and an embargo on dyes was put forward as an important step in that development.

It is known that an absolute embargo was not obtained. The embargo provision was stricken out in

² *Ibid.*, p. 410.

³ *Ibid.*, p. 455.

⁴ *Ibid.*, p. 555.

⁵ *Ibid.*, p. 411.

conference under orders from the House of Representatives. In explaining the failure of the embargo provision Mr. Barrett said: "The Chemical Foundation which has been declared to be one of the many aliases adopted for prudential reasons by a certain powder company, made the blunder of bringing a great international lawyer to argue their case before the Finance Committee of the Senate and didn't take the precaution to conceal from the public the fact that he had received an enormous fee for his services. Were it not for a few determined men in the House who succeeded in recommitting the tariff measure to the conference with instructions to strike out the embargo the lobby would have been successful."¹

LOBBYING ON THE FORDNEY McCUMBER TARIFF BILL

A tariff bill is a signal for lobbyists to gather in Washington. When the Fordney McCumber bill was being debated lobbying, according to Senator Simmons, was rampant. "Never before in the history of legislation," he said, "had lobbyists been so busy." Lobbyists did their work in the Senate Office Building, where the bill was largely rewritten as it came from the House. The Senate Office Building, according to Simmons' statement, was filled with lobbyists. The list of men, he said, who appeared before the Finance Committee of the Senate to lobby for higher sugar rates was practically a who's who of the sugar business in the United States and Cuba. The beet and cane sugar men joined hands and secured a higher rate.

Senator McKellar stated that when that tariff bill was under discussion "the lobbyists were so thick they were constantly falling over one another."

¹ Charles S. Barrett, *Uncle Reuben in Washington*, p. 30.

The Fordney-McCumber law, he said, was perhaps the greatest achievement ever accomplished by any lobby in Washington.²

According to this statement there was scarcely a manufactured article or raw product that did not have a special lobby in Washington. "They made life a burden," he said, "to the members of the Committee having tariff duties in charge and indeed to practically all Senators and Representatives. They saw members of the Committee in their homes, in hotels, on the streets, in the reception room of the Senate and House, wherever they could find a member of that Committee." He said he had seen the corridors leading to the Finance Committee room of the Senate so filled with lobbyists that it was almost impossible for an outside Senator to get to the committee room.³ In that tariff he attested the representatives of the interests virtually fixed their own rates. It is common knowledge, he said, that ex-Senator Lippett of Rhode Island had a big part in fixing the cotton schedule, and that Mr. Littauer of New York helped to make the glove rates. "The lobbies of the interests," asserted Senator McKellar, "in my judgment were more powerful in accomplishing the results than were the representatives of the people." The Fair Tariff League asserted that an important member of the Home Market Club in Boston "wrote with his lead pencil in Washington substantially every line of the cotton schedule in the Fordney bill."⁴

LOBBYING FOR THE MELLON TAX PLAN

An extensive lobby was conducted supporting the Mellon tax plan. Senator La Follette asserted that "never

² *Congressional Record*, Vol. 65, 1st Session, p. 5798.

³ *Ibid.*, p. 5798.

⁴ *Ibid.*, p. 6080.

before in the history of tax legislation was there such an expensive, wide-spread, or misleading propaganda as that for the Mellon plan."¹ Representative Collier attested that "during the time I have been a member of the House I have seen many attempts to put through legislation by a nationwide propaganda, but never can I recall an instance when the propaganda was conducted on so large a scale as in the efforts to pass the Mellon plan, and never before have I known the propagandists to start before anyone had knowledge of what was in the bill."²

It was asserted in debate in the House of Representatives that the bill was written in Wall Street and submitted to Secretary Mellon, by whom it was revised with the assistance of Ogden Mills of the House Ways and Means Committee and others.

Various methods of propaganda were resorted to. Letters and telegrams poured in upon Congressmen's desks. It was maintained in the House that \$70,000,000 of the \$330,000,000 reduction was for the removal of taxes on theatre admissions and movie taxes in order to open that avenue for spreading propaganda.³ It was also contended in the House that the *Literary Digest* expended \$300,000 for postage alone to obtain and publish the opinions of 15,000,000 voters with reference to the Mellon plan, but in reality to place in the hands of those voters a circular letter which was nothing more nor less than an argument for the Mellon plan.⁴

LOBBYISTS FOR THE RAILROADS

Lobbyists were active when the Esch-Cummins Transportation bill

was to the fore. At the head of the lobbying activities was the representative of the Association of Railway Executives. Mr. Barrett is authority for the statement that that representative admits that the success of the bill can be ascribed to his genius of argument and direction.⁵

However, there were other influences at work. The Chamber of Commerce of the United States considers that it was one of the chief forces in putting through the measure. A referendum⁶ was taken by the Chamber, results of which showed that the Chamber of Commerce advocated remedial railroad legislation very similar to that adopted in the Transportation Act. The Chamber advocated among other things that "roads should be returned to corporate operation as soon as remedial legislation can be enacted, that there should be permission for consolidation in the public interest with prior approval by government authority in a limited number of competing companies, and that there should be a statutory rule providing that rates in each traffic section shall yield an adequate return on a fair value of the property as determined by public authority."⁷

When the bill was under consideration Congressman Esch asserted, "You can't ignore these groups." Three men had come into Esch's office representing the owners of twenty billion dollars worth of railroad securities.

The campaign for the passage of the Esch-Cummins law was said by La Follette to have cost the railroads \$3,000,000. In the hearings before the Interstate Commerce Committee of the Senate it was found that an

¹ *The Facts*, p. 80.

² *Congressional Record*, Vol. 65, 1st Session, p. 2490.

³ *Ibid.*, p. 657.

⁴ *Ibid.*, p. 2535.

⁵ Charles S. Barrett, *Uncle Reuben in Washington*, p. 53.

⁶ *Infra.*, p. 35.

⁷ Referendum No. 28, submitted June 2, 1919.

assessment of \$1,600,000 was levied by the Association of Railway Executives in October, 1919.¹

WOMEN LOBBY FOR THE SHEPPARD-TOWNER ACT

The General Federation of Women's Clubs lobbied for the Sheppard-Towner Act. The head of the Federation said that Congressmen who wanted to defeat it hesitated before their demands. In 1921 Senator Kenyon asserted that "there has certainly been a lobby here ever since I can remember for the Alabama Power Company, the Muscle Shoals, and possibly the Cyanimid Company."²

COAL LOBBYISTS

During the sixty-sixth Congress when restrictive legislation for coal companies was in Congress the Wholesale Coal Dealers Association and the National Coal Dealers Association became very active in attempting to defeat the legislation. The representatives of those companies were instrumental in bringing a great many witnesses to Washington, so many, it is said, that it was impossible to get through the hearings during the life of that Congress.

LOBBYISTS FOR THE PACKERS

The American Meat Packers, during the sixty-sixth Congress, became active in helping to bring about the failure of the Packers Control bill. When the bill failed to pass, said Mr. Barrett, the representative of the American Meat Packers admitted that the efficiency displayed by his organization was responsible for its untimely demise.³

¹ Hearings before Senate Committee on Interstate Commerce, April 4, 1924, p. 224.

² *Congressional Record*, Vol. 60, p. 1243.

³ Charles S. Barrett, *Uncle Reuben in Washington*, p. 58.

THE FARMERS' LOBBY

During the sixty-ninth Congress Representative Haugen admitted that his bill was drafted in conference with the representatives of the farmers and that the bill was almost entirely written by farmers. "They are here," he said, "they have been here all winter."⁴

The strength of the farm lobby was shown by the fact that the Committee on Agriculture requested the farm lobbyists in Washington to file a signed statement with the Committee asking that the levying and collecting of an equalization fee on all commodities be deferred for two years before they amended the bill in that way. One of the representatives, Mr. Peek, promised the Democratic members of Congress from the farm states that should they refuse to vote for the Tincher measure his organization would back them up—meaning of course when they stood for reelection.⁵

LOBBY SEEKING REPEAL OF FEDERAL ESTATE TAX

The story of the extensive lobby to repeal the federal estate tax is still fresh in mind. More than 150 delegates, including official delegates from each of the 48 states, descended upon the Ways and Means Committee of the House. There were delegates from about thirty state legislatures, eight governors, delegates from trade organizations, taxpayers' associations, exchange clubs, chambers of commerce, bankers' associations, and others. Representative Rainey, a member of the Ways and Means Committee, denounced the lobbying activities, calling it the most expensive lobby he had encountered, and ordered an

⁴ *Congressional Record*, Vol. 67, 69th Cong., 1st Session, p. 8236.

⁵ *Ibid.*, p. 8234.

investigation to determine who was paying for the drive. Witnesses appeared before the Ways and Means Committee for two days, and as a result evidence was obtained that the American Taxpayers League and the American Bankers League were behind the movement.¹ Evidence was given that the pay-off men of the Council of State Legislatures had \$50,000 in hundred dollar bills and paid off those hired to be in Washington to make the demonstration before the Ways and Means Committee. Oregon men obtained \$3500; \$700 was paid to one man from Arizona; the South Dakota men got \$500. Some of the money to finance the movement was obtained by subscription. The Committee discovered that \$100,000 of the fund had come from a single source in Montana.²

THE NATIONAL TRANSPORTATION INSTITUTE AND THE ESCH-CUMMINS LAW

A lobby was formed to spread propaganda to save the Esch-Cummins Act from repeal by the 1924 Congress. A Bureau of Research was organized under the name of the National Transportation Institute to spend not less than \$1,000,000 within the following year in defending the law. A governing board of forty-four members was made up composed of four members from each of eleven industries: banking, forestry, insurance, manufacturing, mining, trade, highway transportation, railroad transportation, marine transportation, and agriculture.

The plan included the maintenance of a salaried representative in each state to address chambers of commerce civic clubs, school children, and to become personally acquainted with the principal newspaper publishers. The state representative was also to serve

as a distributing agency for propaganda from the national headquarters.

In explaining the reasons for forming such an organization the author of the plan, Bird M. Robinson, said that railroads are practically helpless in a political campaign. Public opinion is such, he said, that it will not permit them to participate in the election of officials while other organizations—radicals—may publicly or privately participate.³

The Chamber of Commerce of the United States took a hand in preserving the Esch-Cummins Act. As a result of a referendum submitted March 22, 1924, it resolved that "the important principles of the Act should be continued without change until there has been further experience."⁴ And in its annual meeting in 1922 a resolution was drawn up endorsing the Act of 1920 and maintaining that it should be kept as it was until further experience under more normal conditions could be had.

LOBBYING ACTIVITIES OF THE ANTI- SALOON LEAGUE

An extensive study has appeared showing among other things the lobbying activities of the Anti-Saloon League and the United States Brewers Association, much of the material upon which the study was based coming from the files of those two organizations.⁵

The Anti-Saloon League carried on lobbying activities not only at the National Capitol, but also cast its influence in the state legislatures. Its lobbying activities were not all centered around legislative halls, for among the several forms of lobbying used it put the method of controlling elections first.⁶ And in order to control elections it considered "the foundation of vic-

³ *Labor*, March 24, 1923.

⁴ Referendum No. 43, March 22, 1924.

⁵ Peter Odegard, *Pressure Politics*.

⁶ *Ibid.*, p. 116.

¹ *New York Times*, Nov. 9, 1927.

² *Ibid.*, Nov. 15, 1927.

tory is the average public sentiment which the League helps to educate in years of faithful and often unnoticed service."¹

The hold which the League had upon members of legislatures was derived in large measure from the power which it had over elections. Space does not permit a full account of the League's activities in controlling legislation. For such an account the reader is advised to go to Odegard's study.

A national legislative office was opened in Washington in 1899 and has had a continuous existence. The office looked after the introduction of bills, watching bills after they had been introduced, lobbied before committees and among Congressmen, arranged for hearings in behalf of measures, directed the sending of petitions and personal communications to members, and used other methods.²

An example of the watchfulness of the League was shown after the Hepburn bill affecting interstate shipment of liquor was introduced in 1902. "The bill was sleeping in the Judiciary Committee," said Mr. Dinwiddie, "when at our request Mr. Littlefield of Maine, who had successfully led our forces in the House in the Anti-Canteen struggle in 1900, had it referred to the sub-committee of which he was chairman and secured its unanimous recommendation by the full committee by whom it was . . . favorably considered and was reported to the House."³

Another example was afforded during the sixtieth Congress when the League was accused "of attempting to smother Congress with letters on an endless chain plan."⁴ The Littlefield

bill, regulating interstate shipment of liquor into dry states, was before the sub-committee of the Committee on Judiciary, of which sub-committee Littlefield was chairman. It was believed that a favorable report could be obtained if sufficient pressure were kept on the Judiciary Committee. Mr. Nicholson revealed that "Mr. Littlefield attends all sessions of the committee and has virtually tied up all other legislation before that body."⁵

The bombardment by the League kept up during the sixty-second Congress. Senator Kenyon had introduced an interstate shipment bill and was pressing its adoption. The liquor lobby at the Capitol reported that "every state in the union had its temperance workers on hand to encourage by their presence Senators Kenyon, McCumber and Sanders in their efforts to convince by prepared arguments the other members of the Senate that the bill should be passed. . . . Your Committee is of the opinion that both the Kenyon-Webb bill and Jones-Work bills are in danger of passage on account of the whip hand the Anti-Saloon League seems to be holding over the heads of the members of Congress."⁶

The wets were also keeping up their end of the lobbying. The dries during the sixty-second Congress pointed out that "for months every member's mail has been flooded by the voluminous briefs of the Wholesale Liquor Dealers Association, the Model License League, the Liberty League, and every organization in the liquor business in the country, warning us that this legislation is unconstitutional."⁷

It was concerning legislation pro-

¹ Peter Odegard, *Pressure Politics*, p. 116.

² *Ibid.*, pp. 127-8.

³ *Congressional Record*, 57th Congress, 2nd Session, pp. 1327-59. Peter Odegard, *Pressure Politics*, p. 133.

⁴ Journal Pittsfield, Mass., May 16, 1908. Peter Odegard, *Pressure Politics*, p. 135.

⁵ Peter Odegard, *Pressure Politics*, p. 136.

⁶ Report of Congressional Committee of National Liquor League, Jan. 21, 1913. Peter Odegard, *Pressure Politics*, p. 142.

⁷ *Congressional Record*, 63rd Congress, 3rd Session, p. 2335.

hibiting interstate shipments of liquor into dry territory and the submission of the Eighteenth Amendment that the dry lobby centered its activities. However, there had been enacted a long list of temperance legislation showing the continued effectiveness of the League in influencing legislation.¹

Lobbying by the League assumed gigantic proportions when the question of submission of the Eighteenth Amendment came up. The campaign was launched at the National Convention of the League in 1913. Following the convention a council of one hundred, later the National Temperance Council, was organized with the aim of uniting the outstanding temperance organizations. At the same time a committee of one thousand men with a

¹ Beginning in 1901, the League claimed credit for the following laws: Army Canteen Law, 1901; a law providing for saloon substitutes at army posts, 1902; Act of March 3, 1903, prohibiting the sale of intoxicating liquor at immigration stations; Soldiers' Home Canteen Law, 1905; an amendment to the Internal Revenue Act of December 24, 1872, requiring a certified copy of the lists of payers of internal revenue taxes to assist state prosecution of anti-liquor law breakers, June 21, 1906; Oklahoma prohibition, 1906; prohibition enforcement in the Indian Territory, 1906; an anti-liquor code for Alaska, 1909; appropriations for law enforcement in Alaska, 1908; prohibiting use of mails for carrying intoxicating liquors, 1908; laws to enable Tennessee, Mississippi and Arkansas to arrange for effective measures against liquor sellers' resorting to islands created by changes in the course of the Mississippi River, 1909; Penal Code amendments regulating C.O.D. shipments of liquor, 1909; recognition of and participation in the International Congresses Against Alcoholism, beginning 1911; The Webb-Kenyon Law, 1913; anti-liquor law for the District of Columbia (Jones-Works bill), 1917; war-time liquor legislation, 1917-18; prohibition for Hawaii, 1918; war-time prohibition, 1918; national prohibition (in effect 1920); enforcement legislation—viz. Volstead Act and supplementary legislation.—*American Patriot*, May and June, 1916; *Proceedings of the Nineteenth Convention of the Anti-Saloon League*, 1919, pp. 235-54. Peter Odegard, *Pressure Politics*, pp. 129 and 130.

committee of the same size appointed by the Woman's Christian Temperance Union was to march to the Capitol and present to both houses of Congress the submission resolution. The committee of four thousand met in Washington, December 10, 1913, and presented its resolution to Senator Sheppard and Congressman Hobson who introduced it in their respective chambers.²

The resolutions did not fare as the League wished in the Senate and Congress was "all but buried in an avalanche of communications from the people back home. The wires were hot with messages." A partial list of endorsed petitions contained the names of 9,296 organizations with a total membership of 3,358,586.³ In the House during the debate on Hobson's resolution long slips of paper containing the names of over 6,000,000 petitioners hung from the balconies and on both sides of the speaker's chair were numerous charts showing the progress of prohibition.⁴

When defeated for the Senatorship in Alabama, Hobson assumed the leadership of the dry forces and the many sided methods of influencing legislation which the dries took up are shown in Hobson's *Grand Strategy of the Fight*.⁵

² Peter Odegard, *Pressure Politics*, p. 151.

³ *Ibid.*, p. 153.

⁴ *Ibid.*, p. 153.

⁵ Make general use of the government frank in sending out dry speeches and other documents.

Request all papers and periodicals to decline liquor advertisements, and see that the friends of temperance back up the request.

Seek the enfranchisement of women everywhere.

Incorporate in the campaign the adult Sunday School, Christian Endeavor, Epworth League and others, and assign them specific duties.

Call the Salvation Army into action.

Make the coming year noted in religious history for revivals and turn their full force into the liquor fight.

Organize special sections for labor unions, foreign voters and business men.

The power of the Anti-Saloon League lobby was never better illustrated than when the Lever food control bill was before Congress. Along with the control of food products the bill included beer and wine. President Wilson, foreseeing a long filibuster on the bill if beer and wine were included appealed to the League by means of a letter to the Legislative Committee in the name of patriotism to consent to striking out beer and wine from the bill. Consent was given by the League and the bill passed.¹

The League kept up its heavy bombardment of Senators and Representatives until it saw the resolution for submission of the Prohibition Amendment to the states safely passed in both houses. Wheeler from his customary

Make the amendment the sole ultimate objective. "We control or can control in forty states, therefore this method absolutely insures our final victory. . . ."

Give the states equal and joint power with Congress in the matter of enforcement. This will provide against any claim of disturbing the balance of power between the Federal Government and the states.

Stress the fact that the amendment is confined to *sale* and touches nothing relating to *use*. . . . Never relax in cutting all liquor's connections with moral forces, "Personal Liberty," the "Sanctity of the Home," "Home Rule," "States' Rights," . . . "keeping liquor always in its sordid nakedness of drugging and destroying humanity for filthy lucre."

Develop local fights so as to produce the best effect upon the national field. Furious onslaughts in such enemy citadels as New York and Pennsylvania will seriously cripple the aid that would otherwise be given to liquor forces in pivotal states and districts.

The amendment is to be the paramount issue in all future national elections.

Oppose all candidates who fail to give a public pledge endorsing the amendment.

Require a similar pledge of candidates for any county or state convention or delegates to any national convention.

Take the offensive everywhere. Attack! Attack! Attack! (Peter Odegard, *Pressure Politics*, pp. 157 and 158.)

¹ Peter Odegard, *Pressure Politics*, p. 109.

place in the Senate gallery kept his eye on the Senate as it debated and passed the resolution. When the resolution came to a vote in the House the *Washington Times* commented that if a secret ballot could be taken making it impossible for the Anti-Saloon League to punish disobedience, the resolution would not pass.²

A good summary of the League's activities in legislative halls was given by Wayne Wheeler when he set forth rules for effective lobbying which were derived from his fifteen years of lobbying experience. The methods he recommended were:

(1) The League should make every effort to see that the committees to which temperance legislation is referred are friendly. It is best to have a regular committee, since a special committee may be packed hostilely.

(2) The bill should be introduced early in the session. During the closing days each member has some pet measures and it is harder to get a fair consideration. The bill should be introduced first in the House . . . the Senate being more conservative.

(3) The introducer should be an able representative, with few enemies, one skilled in the procedural mysteries, who knows the bill from A to Z.

(4) The bill should not be extreme. Do not be "whole hog or none."

(5) Hearings should be promptly held and well attended by representative people from the entire state, and from different walks of life.

(6) Temperance bills should, if possible, be made a special order at least ten days after they are reported.

(7) As for the liquor lobby "all that is needed is to throw the light in upon them and let the legislature and the people know what they are doing."

(8) The League should take no official stand on other measures.

(9) "Petition in boots" and letters and telegrams from constituents are often a determining factor.

² *Ibid.*, p. 173.

(10) The day of the third reading is the day of crisis. Advocates from all parties should speak for the bill to shut off the cry that it is a partisan measure. The galleries should be crowded with spectators, but demonstrations against the opponents of the bill should be discouraged. A yea and nay vote should be demanded on each important question. Effort should be made to prevent amendments. An amended bill means a conference committee, and conference committees are dangerous, unless the leaders of the houses are temperance men.¹

Although the League felt that its lobbying work at the national or state capitols was very important it felt that its work in influencing the election of favorable legislators was of greater importance. And that latter method it emphasized and used continuously.

A good example of the League's work in influencing elections was shown when the Hobson resolution was before Congress. A special campaign committee was appointed in June, 1914, which through the local organizations kept in touch with the political situation in every part of the country. Candidates were supported or opposed according to their records. The shrewdness of its work was shown by the fact that it refrained from participating in campaigns where victory seemed impossible and concentrated its activities where there was hope of winning. Candidates were supported by sending out speakers or sending enormous quantities of campaign literature into the district in question.²

After the League had won its victory to have the amendment submitted to the state legislatures it then turned its attention upon those bodies. Within fourteen months the required number

of states had accepted the amendment and the brewers pointed out that "the grip held by the Anti-Saloon League over the state legislatures was never better illustrated than in the manner in which these bodies obeyed the command to ratify."³

The real battles over ratification took place in Illinois, New York, and Wisconsin. The Illinois League campaigned in every election district in the state and consequently succeeded in returning a dry majority to the house. To win in New York the League had to build "the greatest permanent organization ever built in any state." During the 1918 campaign, Anderson estimated that "representatives of the Anti-Saloon League of New York traveled three-quarters of a million miles, made 50,000 personal calls, and addressed over 5,000 meetings, at which they spoke to over half a million people. In addition the League sent out over a million communications by mail and circulated the equivalent of 50,000,000 book pages of literature. To which might be added the newspaper publicity which the League got, up to a hundred million copies.⁴ In Wisconsin the League did extensive campaign work. The efforts were concentrated on electing dry legislators in the September, 1918, primary. Work for that primary began in June, 1917, sixteen months before the primary. The superintendent of the League in Wisconsin in describing the campaign methods used reported that "we used a million book pages of literature per month. We put on a country schoolhouse campaign. . . . We put factory experts to speak in the factories, and got the companies

¹Wheeler, "Inside Story of Prohibition," *New York Times*, March 29, 1926. *Pressure Politics*, p. 156.

²Peter Odegard, *Pressure Politics*, pp. 115 and 116.

³*Yearbook of the U. S. Brewers Association*, 1919, p. 18. (Peter Odegard, *Pressure Politics*, p. 176.)

⁴*American Issue*—New York edition, June 14, 1919. (Peter Odegard, *Pressure Politics*, p. 178.)

to pay the men for listening. We built up a council of one thousand to back us—business and labor leaders . . . we enlisted the Hemlock Hardwood Lumber Association in its entirety. We sold the factories billboards and posters which were changed bi-weekly, and a monthly educational scientific tract in tabloid form which went into the pay envelopes. We organized the drys in every county. We helped to select dry legislative candidates who could get votes. We listed the two-thirds of our voters who habitually failed to vote in the primary, divided them into blocks of five, put a dry corporal over each five, and got 138,000 of these stay-at-homes to the polls on the primary day, knowing who was the dry candidate for Senate and Assembly and absolutely pledged to vote for them. We staged the biggest demonstration in Madison the state has ever seen. . . . We put it over."¹

THE STANDARD OIL COMPANY LOBBY

The Standard Oil Company of Indiana showed how the indirect method of lobbying could be used. In combating the gasoline business conducted for a time by the state of South Dakota the company made use of the newspapers of the state. Advertising matter was placed in 120 daily and weekly newspapers presenting the case for the company and the other privately owned companies in the state.²

THE PUBLIC UTILITY LOBBYING ACTIVITIES

The disclosures made in the investigation of public utility activities by the Federal Trade Commission show that

for the most part the utilities have used the indirect method of controlling legislation. Because their activities typify the most extensive use on record of the indirect method extensive consideration needs to be given to the methods used and to see the extent of their activities.

When the Walsh resolution, providing for an investigation of public utilities by a Senate Committee, and the Boulder Dam bill were seen on the horizon the Public Utilities Joint Committee³ was formed to register opposition.

The utilities started their machinery for opposition to the Walsh resolution because they favored an investigation by the Federal Trade Commission rather than by a Senate Committee as provided by the resolution. The question of whether or not the investigation would be made by a Senate Committee was threshed out by the Interstate Commerce Committee of the Senate. One of the first acts of the Joint Committee was to employ two former United States Senators as counsels. Their chief work was to appear before the Interstate Commerce Committee of the Senate to present the utilities side of the proposed investigation.⁴

The Joint Committee.—Also at the time of the reorganization of the Joint Committee a general counsel, a former State Senator, was stationed in Washington at a salary of \$35,000 yearly. The general counsel before his employment by the Joint Committee had represented electric companies in Washington since 1904—the National Electric Light Association in connection with the Federal Water Power Act, helping the Federal Water Power Commission to work out administrative details under the Act,⁵ appeared

¹ *Proceedings of 19th Convention of the Anti-Saloon League, 1919.* (Peter Odegard, *Pressure Politics*, p. 180.)

² *Printers Ink*, Oct. 1, 1925, pp. 118-116. Cited by James K. Pollock, *American Political Science Review*, May, 1927.

³ *Infra*, p. 40.

⁴ *Utility Corporations*, Part 3, p. 27.

⁵ *Ibid.*, p. 107.

before Congressional committees in connection with the Federal Water Power Act for many years, appeared before the National Waterways Commission, advised his clients when to appear before committees, and kept himself informed generally about matters where the federal government touches utilities and handled those matters for utilities.¹ His reasons for advising the formation of the Joint Committee show the substance of his work in Washington, that is, that "it was very desirable for the utility corporations to be officially represented in Washington so that their views on various matters affecting the utilities that arise in connection with the government could be clearly understood by all parties." For the Joint Committee he took part in defeating the Walsh resolution and took action in the Colorado River proposal, matters relating to regulation of interstate power transmission, tax matters, and all matters relating to the development of power in navigable streams and on public lands.²

There is little doubt that the activities of the representatives of the Joint Committee were in large measure responsible for the extensive lobbying activities when the Walsh resolution was to the fore in the Senate. When the resolution was before the Interstate Commerce Committee there were present in the committee room from 60 to 75 official representatives of electric light and power companies. "They occupied pretty nearly all the chairs in the room," said Senator Bruce.³

As far as the activities of the utilities to defeat the Walsh resolution were concerned the lobbying was direct. There

was not time enough between the proposal of the resolution and action on it to permit the use of the indirect method.

In the opposition of the utilities to the Boulder Dam bill a great amount of direct lobbying was done, but indirect lobbying was used more effectively.

One of the outstanding methods of indirect lobbying used by the Joint Committee was to get the constituents to communicate with their Congressmen and Senators when bills in which the utilities were interested appeared in Congress.⁴

Another indirect method was the use of propaganda. The Joint Committee worked in coöperation with public utility information bureaus established in 28 states and operating in 38.⁵ One of the chief activities of those bureaus was to put out propaganda against government ownership and operation of public utilities. All such propaganda acted to oppose the Boulder Canyon bill as well as any other legislation, federal or state, which might arise providing for government ownership and operation. The Assistant Director of the Illinois State Committee on Public Utility Information testified that his committee had been interested in Muscle Shoals, Swing-Johnson bill, and the Walsh resolution, that it had kept in touch with the Joint Committee in opposing the Muscle Shoals and Swing-Johnson bills. Also he stated that his committee had worked with the American Gas Association and the National Electric Light Association to the same end and had coöperated with the other 27 committees on public utility information.⁶ The Joint Committee also put out propaganda directly

¹ *Utility Corporations*, Part 8, p. 108.

² *Ibid.*, p. 115.

³ *Congressional Record*, 70th Congress, 1st Session, p. 3932.

⁴ *Utility Corporations*, Part 3, p. 148.

⁵ *Infra*, p. 50.

⁶ *Utility Corporations*, Part 2, pp. 132-3.

or through state information committees. As stated by Mr. Oxley, "the committees were organized to pass along to the public news material and information regarding the utilities of the states in which they operate and to assist the states and the communities in building themselves up. If the director had something dealing with electrical matters that he wished to have published in a newspaper in a small town he would send the material to the director of the State Committee and suggest that he have it published."¹

Some of the propaganda specifically attacked the Boulder Canyon bill. The Joint Committee had two booklets on Boulder Dam prepared and gave them wide circulation.²

State Information Bureaus.—The most of the indirect lobbying by the Joint Committee against the Swing-Johnson bill was done through the state committees. Such activities of the state committees were so closely tied up with their general program of opposing government ownership and operation of utilities that a close study of what was done by the State Information Committees needs to be made.

At the outset let it be said that the prime purpose back of the activities of the Joint Committee or the State

Committees was to control present or future legislation. It has already been seen that effective lobbying was drifting from direct methods to indirect. The activities of the Joint Committee and State Committees afford an excellent example of the indirect method.

The general indirect method used was to mold opinion among the people. Opinion was to be molded for various purposes in controlling legislation, so that the voters would send "right-minded" legislators to Congress and the state legislatures, in order that the legislators would hear from their "right-minded" constituents when bills affecting public utilities were being legislated upon, and in order that everywhere legislators and administrators would be confronted by opinion hostile to government ownership and operation of utilities.

It is, therefore, in order to see what was done to mold opinion.

One of the chief thoughts which was spread by the committees through propaganda was that public utilities are adequately regulated by State Public Service Commissions. The utilities hoped that with such a view prevailing generally movements for government ownership and operation would not be made.³

Another outstanding idea promoted by the Committees was that public utility securities are held so widely among employees and the people generally that the interests of the public utilities are the people's interests.

Still another idea which was strongly pushed was that public ownership and operation do not prove as successful

¹ *Utility Corporations* Part 1, p. 20, Testimony of Oxley.

² Many suggestions were given to the Joint Committee as to the best method of presenting propaganda for the utilities, one of which was from the Editor of the *United States Daily*, proposing a community development advertising campaign in which, he said, "state regulation as against federal would be continuously emphasized and there would be ample opportunity to show how private initiative and incentive was the governing influence in the development of the community, thus erasing in the background any thoughts that might be lurking there on municipal operation."

The cost of the plan was to be \$202,800, to be financed by 52 local companies paying \$75 a week for a year. (*Utility Corporations*, Part 3, p. 152.)

³ The Director of the Ohio Committee testified that each speaker for the Committee in Ohio emphasized that public utilities are subject to government regulation (*Utility Corporations*, Part 3, p. 431). In the college courses which the Committee promoted a great deal of attention was given to the regulation of public utilities.

for various reasons as private ownership and operation.

To promote these ideas a host of methods were used and it is necessary to have a clear knowledge of those methods in order to know how the indirect form of influencing legislation proceeds.

Propaganda Through the Press.—The Utilities' Committees made use of the press to mold public opinion. The method of using the press was very much the same in all the states where the committees operated. News bulletins were sent weekly, in some states bi-weekly, to local newspapers from which it was hoped material would be taken by the editors and printed. In addition to the news bulletins "boiler plate" material was sent to local newspapers with the hope that they would find it so convenient for use that it would be used. And editorials known as "canned editorials" were sent to the editors.¹

Testimony shows that a great quantity of the material was used. The Illinois Committee reported that during its first year weekly news bulletins were sent to 900 newspapers in the state and that 5,000 column inches were used per month.² In the forty-seven months during which the Illinois Committee had operated, approximately 108,000 column inches of clippings from the news bulletins of the Committee had appeared in Illinois newspapers, an average of 2,298 column inches per month.³ The director of the New England Committee reported that in one year he had succeeded in having 1,100 columns or 140 pages of his material reprinted in New

England papers.⁴ About one-fifth of the material reprinted was used in editorial form. The remainder appeared in news columns. The director of the committee which covered Pennsylvania and New Jersey, besides sending out weekly news bulletins, sent out metal plate matter, three columns wide by twenty inches long, and reported that sometimes the papers used the whole thing. Eighty-three newspapers in Pennsylvania and New Jersey received such material.⁵ The former director of the Pennsylvania Committee gave a list of newspapers which used boiler plate sent out by the Committee. Fifty per cent of the newspapers used all of the boiler plate they received.⁶

The director of the Connecticut Committee reported that about 20 per cent of the material he sent to newspapers was reprinted. In the year ending April 1, 1928, he was able to report that 14,744 columns of his material had appeared in Connecticut newspapers, an average of 189 columns per paper. Of that amount an average of 89½ columns per newspaper was editorial material.⁷

In Ohio the Committee sent out mats to 700 to 750 Ohio newspapers besides its regular news bulletin. The director was able to report that in the past year Ohio newspapers had reprinted more than 20,000 column inches of the material.

In Florida the Committee was able to get material in about 60 per cent of the newspapers of the state.⁸

⁴ *Ibid.*, p. 171.

⁵ *Ibid.*, Part 3, p. 330.

⁶ *Ibid.*, p. 389.

⁷ *Utility Corporations*, Part 3, p. 242.

⁸ *Ibid.*, p. 497. An editorial sent by the director to all newspapers in Florida presented an attack on the Boulder Dam bill. The idea expressed in the editorial was that Boulder Dam would eventually irrigate a lot of land in Mexico and would finally result in bringing Mexican tomatoes in competition with Florida tomatoes.

¹ The Joint Committee employed Reid of Reid Syndicate at \$10,000 a year to send out news and pictures to newspapers throughout the country. Reid surrounded himself with a staff of writers. (*Utility Corporations*, Part 3, p. 360.)

² *Utility Corporations*, Part 2, p. 77.

³ *Ibid.*, p. 6.

The director of the Iowa Committee told the Commission that nearly every one of the 650 newspapers of the state had used some of the material he sent out.¹ In New York State material was sent to about 1,000 newspapers, and the director reported that an amount equal to about four and a quarter news pages were reprinted per month.²

Enough has been given to show that the press was one of the chief avenues for spreading propaganda. It is interesting to inquire in this connection into the methods used by the committees in getting the newspaper editors to reprint their material.

Methods of Securing Adoption of Material by Newspaper Editors.—The material in the news bulletins was sent to the newspapers free of charge as was all other material, in such shape that it could be used as received if the editor so desired. The boiler plate material was sent out upon the knowledge that local newspapers usually have a page or two which local news does not fill and boiler plate material could be used for that space without the trouble and expense of setting type. Editorial material was sent in such form that the editor could insert it as received or use it as a basis for editorials.

Great quantities of the material was used because it was free and readily available for printing. It was a common practice on the part of newspapers to use material received from the committees without showing the source of the material.

From the committees' standpoint material could well be supplied free because thereby they were receiving valuable advertising. The director of the Iowa Committee said that in the reprinted material in the newspapers in his state the utilities had gotten

publicity which if it had to be paid for would have cost \$80,000, and was worth more than that, he said, because it was news space that they had obtained.³

A former director of the Pennsylvania Committee testified that "they never mentioned the amount of newspaper space they were getting except confidentially in their Committee, because they were told by editors in the western part of Pennsylvania that if they were going to brag about the amount they were getting they wouldn't get any."⁴ They were afraid that if the newspapers realized how much free space they were giving the public utilities might be harmed in getting more.⁵

Further steps were taken by the committees to have their material reprinted rather than to offer it to editors free of charge. Member companies of the State Information Committees were in cases asked to see editors in their vicinity in whose paper they advertised. When material was sent to the newspapers a copy was sent to member companies so that they could check to see if the material appeared in the papers and so they could see the editors in case it did not appear,⁶ "jog their memory from time to time," and use whatever advertising they did in the papers as weight in getting the material adopted.⁷ The committees urged the member companies to advertise in the local papers in order "to create the friendly attitude of the newspapers."

³ *Utility Corporations*, Part 4, p. 31.

⁴ *Ibid.*, Part 3, p. 333.

⁵ *Ibid.*, p. 384.

⁶ *Ibid.*, Part 2, p. 74.

⁷ The assistant director of the Illinois Committee stated that "if the public utility corporation is advertising in a man's newspaper it gives him the same right it gives a dry goods man, a grocer, or a banker to call at that editor's office and talk with him on the basis of a customer the same as any other advertiser has the right to do." (*Utility Corporations*, Part 2, p. 75.)

¹ *Utility Corporations*, Part 4, p. 31.

² *Ibid.*, p. 192.

In Iowa, upon the encouragement of the director of the committee, the utilities increased their advertising 1000 per cent.^{1, 2}

Another method of having material adopted was to employ old newspaper men on the committees who would go around and keep in touch with newspaper editors. If the newspaper men who occupied an important position among the editors of the state could be secured so much the better.³

The director of the Florida Committee felt that his work in going around among the newspaper editors of the state was the most valuable part of the Committee's work.⁴

¹ *Utility Corporations*, Part 4, p. 32. The Iowa Committee recommended to member companies that in their advertising they use one-third of the space for merchandise, one-third for securities, and one-third for public relations. (*Utility Corporations*, Part 4, p. 41.)

² The director of the Illinois Committee stated that public utilities make use of advertising to the aggregate amount of \$25,000,000 or \$30,000,000 a year for public utility advertising. (*Utility Corporations*, Part 2, p. 86.)

³ The director of the Florida Bureau had been a newspaper editor for thirty years and had been president of the Florida Press Association and was secretary of that Association two years after he became director of the Florida Committee. (*Utility Corporations*, Part 3, p. 496.) The director of the Illinois Committee was a former newspaper man. The former director of the Pennsylvania and New Jersey Committee was taken from the position of the city editor of the Philadelphia *Public Ledger*. The director of the Connecticut Committee was a former newspaper man. The present director of the Pennsylvania and New Jersey Committee was a former newspaper man with eight years' experience before his employment by the committee. The director of the Ohio Committee was a former newspaper man; also the director of the Iowa Committee had twenty years' newspaper experience (*Utility Corporations*, Part 4, page 4), and had been president of the Tri-City Press Club (Davenport, Moline, and East Moline). The director of the New York Committee had fifteen years' experience with the *New York Tribune*. (*Utility Corporations*, Part 4, p. 182.)

⁴ *Utility Corporations*, Part 3, p. 496.

Propaganda Spread by Speakers.—Another important method used by the committees in spreading propaganda was through the medium of speakers. Speakers bureaus were maintained by the State Committees and in places local bureaus were organized to create opportunities for local committee speakers. Speakers were furnished by the State Committee or local committees for all sorts of meetings, chambers of commerce, Rotary clubs, Kiwanis clubs, women's clubs, Civic Association meetings, schools and others. It was reported that there were 312 talks in a year before chambers of commerce, civic luncheon clubs, and similar organizations of business men in Illinois.⁵ The director of the New England Committee reported 1,137 talks to a combined audience of 172,000 people in one year.⁶ The chairman of the Public Speaking Committee of the National Electric Light Association reported that in one year 10,000 talks to 1,500,000 people throughout the country had been made.⁷ In Nebraska the state was divided into twelve speakers districts each under the direction of a chairman and secretary selected by utility companies.⁸ In New York State, which was divided into ten speakers districts the director reported 2,840 addresses in five months to a combined audience of 281,578 people.⁹

Material was given to speakers, handbooks for speakers were made up, and the committees found opportunities for speakers.¹⁰

⁵ *Ibid.*, Part 2, p. 84.

⁶ *Ibid.*, Part 2, p. 174.

⁷ *Ibid.*, p. 174.

⁸ *Ibid.*, Part 4, p. 77.

⁹ *Ibid.*, p. 195.

¹⁰ The Illinois Committee prepared material for speeches to be used by Senatorial candidates running against those who favored public ownership. The idea in writing such speeches was as stated "not to try logic, or reason, but to try to

The committees did not lose sight of the fact that newspaper publicity resulted from the speeches made throughout the states. Reports of speeches would be found in the news columns of the papers the following day. The director of the New York Committee reported that from the 2,840 addresses made in five months in his state 359 columns of newspaper publicity were obtained.¹

Propaganda in Schools and Colleges.—Another important method which the committees used in spreading propaganda was through schools and colleges. One form of such work was as was mentioned above, to furnish speakers to schools. The Illinois Committee got out a bulletin occasionally entitled "How to Talk to Grade Schools," and others entitled "Seeking a Goal," a model talk for public schools, another entitled "Electricity."² The director of the New England Committee reported 132 talks in schools in 1926 of which number 34 were in colleges and 119 in 1927 of which 32 were in colleges.³

Another form of contact with schools consisted of sending material for use in schools. Letters were sent to school authorities telling them that material was available and great quantities were distributed as a result thereof. In New England, 62,623 pamphlets were sent to 289 schools in one year, one on gas, one on electricity, another on electric railways and another on telephones.⁴

In Illinois 635 high schools, more than three-fourths of the whole num-

ber of high schools in the state, were using specially prepared utility industries material in the classrooms at the time of the investigation.⁵ Sixty-five thousand to seventy thousand pamphlets had been sent to Illinois schools.⁶ The material was distributed only in high schools and the eight grade, because it was felt "it would not be understandable by students below that grade."⁷

The Pennsylvania and New Jersey Committee sent several copies of the Public Utilities Handbook of New Jersey to all the high schools of Pennsylvania.⁸ Also 30,000 sets of four booklets entitled "Our Public Utilities," one on electricity, one on gas, street railways and telephones, were distributed to schools in Pennsylvania. In Connecticut the Committee prepared a "Public Utilities Catechism," and distributed 10,110 copies to 70 per cent of the high schools of the state.⁹ Besides that material a clip sheet was sent to the schools of Connecticut twice a month.¹⁰ In Iowa a weekly bulletin was sent to schools, and material which the Committee prepared was distributed. Letters were sent to the schools offering the material free of charge, the material was advertised as available in teachers' magazines and, if schools still did not order the material, local managers interviewed the teachers.¹¹ In Missouri 97 per cent of the total enrollment of high school students studied utility textbooks or booklets.¹² In New York State the Committee sent out two pamphlets to the schools, one entitled "Know New York State," of which

pin the Bolshevik idea on my opponent. I did not believe that the theory of government ownership would be much use except before a hand picked audience." *Utility Corporations*, Part 2, p. 71.

¹ *Utility Corporations*, Part 4, p. 106.

² *Ibid.*, Part 2, p. 84.

³ *Ibid.*, p. 183.

⁴ *Ibid.*, p. 176.

⁵ *Ibid.*, p. 78.

⁶ *Ibid.*, p. 81.

⁷ *Ibid.*, p. 136.

⁸ *Ibid.*, Part 3, p. 398.

⁹ *Ibid.*, p. 252.

¹⁰ *Ibid.*, p. 237.

¹¹ *Ibid.*, p. 11.

¹² *Ibid.*, Part 4, p. 77.

40,000 copies were sent, and the other, "Servants of Progress," of which 66,000 copies went to the schools.

Another form of spreading propaganda through the schools was through control over textbooks used in the schools. In most of the states in which public utility information bureaus were established a survey of textbooks used in the schools was made. The National Electric Light Association had planned a nation-wide survey of textbooks.¹

In Ohio, after a survey of textbooks had been made, the Committee got out a textbook "Aladdins of Industry," and distributed 190,000 copies during two years to high schools and some colleges. The director stated that the book was being used by 60,000 students in Ohio schools and colleges and said that by another year 200,000 would have studied it.² Also the Ohio Committee reported that in nearly every case where they found objectionable books they were removed or placed on library shelves simply for reference.³

After a survey had been made in Pennsylvania a textbook was prepared, "Natural Resources of the State of Pennsylvania," and was adopted in some Pennsylvania schools.⁴ Another textbook on "Community Civics" was written by an assistant of the director of the Pennsylvania and New Jersey Committee.⁵

In Iowa where objectionable textbooks were found during the survey the matter was taken up with school boards, and the director of the Iowa Committee reported that in nearly every case the objectionable books were removed and placed on library

shelves for reference purposes only.⁶ In Nebraska a textbook committee was appointed which made a survey and wrote a textbook for use in the schools. Between four and five thousand copies had been given out at the time of the investigation.⁷ In Missouri, as was stated, 97 per cent of the high school students were using public utility textbooks or booklets. In New York State a survey was made and a textbook prepared for Rochester schools. The Illinois Committee had a complete list of textbooks and had them catalogued as good or bad. They planned to get the bad ones out of the schools.

Still another method of spreading propaganda through schools was used. The State Committees coöperated and furnished aid in establishing public utilities courses in colleges and universities. Activities to that end were undertaken in Ohio, Pennsylvania, Massachusetts, Illinois and Iowa at least.

Other Methods of Establishing the Public-Utility Viewpoints.—The methods of spreading propaganda by the public utilities discussed above are those that were used generally by the State Information Bureaus. There were besides a great many methods used by one or more of the State Committees a few of which were: offering prizes to students in universities for best papers upon public utility subjects,⁸ furnishing Chautauqua speakers, conducted campaigns of personal contact with members of legislatures,⁹ distributed motion picture films, made radio talks, requested constituents to get in touch with their

⁶ *Ibid.*, p. 9.

⁷ *Ibid.*, Part 4, p. 69.

⁸ *Ibid.*, Part 2, p. 84.

⁹ The director of the Georgia Committee reported that he had done such work for eight years and had had remarkable success. (*Utility Corporations*, Part 2, p. 158.)

¹ *Utility Corporations*, Part 4, p. 215.

² *Ibid.*, Part 3, p. 426.

³ *Ibid.*, p. 402.

⁴ *Ibid.*, p. 161.

⁵ *Ibid.*, p. 371.

representatives in legislative bodies, sent bulletins to educators, appeared before committees in state legislative bodies, furnished copies of bills, gave fellowships at colleges,¹ interviewed publishers regarding textbooks, furnished material to debaters, urged member companies to train employees as public speakers and to have them posted on economic subjects, issued news digests to member companies, did work among women's clubs, encouraged member companies to employ college professors in research work,² paid expenses of professors to meetings,³ and scattered material generally throughout the states.⁴ As stated by the director of the Department of Public Information of the National Electric Light Association, the only method of publicity he hadn't used was sky-writing.⁵

LOBBYING FOR THE KELLOGG TREATY

Around the Congress now assembled has been seen some extensive lobbying. The Kellogg Treaty was vigorously pushed by ten national women's organizations who were united in the Conference on the Cause and Cure of War. The conference was held while the treaty was under discussion in the

¹ *Utility Corporations*, Part 2, p. 150.

² *Ibid.*, Part 4, p. 54.

³ *Ibid.*, p. 88.

⁴ Two hundred thousand copies of a pamphlet on water power were printed to offset the movement in New York State toward a State Corporation of Water Power. (*Utility Corporations*, Part 4, p. 212.)

The director of the Information Committee of the Joint Committee submitted information to the president of the Metropolitan Life Insurance Company from which the president took the information and prepared a pamphlet entitled "Your Rights as a Capitalist," which was circulated to the 21,000,000 policy-holders of that company. The pamphlet pointed out to the stockholders the necessity of protecting their assets against attacks from political demagogues. (*Utility Corporations*, Part 3, p. 404.)

⁵ *Utility Corporations*, Part 3, p. 214.

Senate, but previous to that a great deal of work had been done. More than 10,000 meetings, in addition to state and regional conferences were held by the women's organizations in thirty-nine states within the previous year to create opinion favorable to the pact. The educational campaign was declared by Mrs. Catt to have been the most widespread and thoroughgoing of anything they had yet attempted. Delegates from the women's organizations marched to the Capitol, where they presented to the Senators 10,000 resolutions of women's organizations indorsing the ratification of the Kellogg Treaty.⁶

THE CRUISER BILL AMIDST LOBBYING ACTIVITIES

The Cruiser bill was caught between two strong lobbying movements. Opposing the bill was the National Council on Prevention of War. As a result of its activities the Naval Affairs Committee of the House was swamped with letters and telegrams from all over the country. The attack of this organization undoubtedly had a great deal to do with the Committee cutting the administration program to one-third its original plan. The Administration's bill was supported by thirty-three national women's patriotic societies. A three-day conference was held in Washington while the bill was under consideration and previously an active campaign had been carried on in behalf of the fifteen-cruiser plan.

TARIFF LOBBYISTS ON THE JOB

Some active lobbying is going on with respect to the tariff. A National Conference on Tariff Adjustment has been brought together under the auspices of the National Association of Manufacturers in an effort to make the Tariff Commission a more practical

⁶ *New York Times*, January 13, 1929.

adjunct of Congress. A sub-committee was formed to confer with the House Ways and Means Committee, the Senate Finance Committee, the President and the President-elect. The sub-committee is to report back to the conference made up of about 200 industrialists from all sections of the country.¹

The steel industry is beseeching the House Ways and Means Committee for higher tariff protection. The case is being presented to the Committee by the American Iron and Steel Institute which claims to represent 95 per cent of the iron and steel producers of the country and an aggregate capital investment of \$4,750,000,000.²

The Anti-Saloon League has a competitor in the field, the Association Against the Prohibition Amendment, working, as the name of the Association indicates, to overthrow the Eighteenth Amendment. The Association was formed as an outcome of conferences at the Washington home of Senator Wadsworth in December, 1927, and January, 1928.

At present the Association has a board of directors of 103 members scattered in 29 states, the District of

Columbia, and Porto Rico, and who, according to the report of the Association, aid in administering organizations which employ more than 2,000,000 men and women and possess more than forty billion dollars of assets.³ The Association has a national headquarters located in Washington, and offices in New York, Philadelphia, Wilmington, Baltimore, and San Francisco. An office is planned for Chicago in the near future and other offices will be opened from time to time.

Some idea of the extent of the Association's activities can be seen in its financial report which shows that during 1928 a total of \$408,814 was received and \$375,578 expended. Expenditures were made for varied purposes, spreading propaganda, conducting referendums, participation in election contests, for promoting research projects, and for other purposes.

And so it goes. Almost without exception there is to be found strong lobbying activity centering around every important piece of legislation. The "third house of Congress" is no myth—it is a strong real part of our governmental system.

CHAPTER III

ORGANIZATIONS ENGAGED IN LOBBYING ACTIVITIES

SOME idea of the extent of lobbying activities can be obtained by surveying the organizations which conduct such activities.

Senator McKellar in an address before the Senate in 1924 gave a list of lobbying organizations. "There are," he said, "the farm lobby, the labor lobby, lobbyists for steel interests, wool interests, tobacco, fertilizer, cotton manufacturing, prohibition and anti-

prohibition, postal employees, labor organizations, railroads, civil service employees, equal rights of women, bonus, those opposed to bonus, Mellon plan of tax reduction, shipping interests, Henry Ford's acquisition of Muscle Shoals, water power trust, packers, oil interests, disabled ex-service men,

³ The Executive Committee is composed of Pierre S. Dupont, Chairman, Benedict Crowell, Henry H. Curran, Irene Dupont, Grayson M. P. Murphy, Charles H. Sabin, William H. Stayton. (*Report of the Association Against the Prohibition Amendment, 1928.*)

¹ *Public Ledger*, Philadelphia, Dec. 17, 1927.

² *Ibid.*, Jan. 15, 1929.

manufacturers, army, navy, national aid to education, and many other special interests." "Washington," he said, "is honeycombed with lobbyists. The hotels are full of them."¹

LOBBYISTS IN WASHINGTON

A list of lobbyists in Washington was given in the *Detroit News* in 1920 in which list were 120 organizations. The organizations were divided after a fashion into groups, the business group in which were fifteen organizations, a group closely related to the business group including sixteen organizations, utilities group of which there were five, farm groups of which there were seven, labor organizations including nine organizations, women's group of six organizations, and many others.

At the head of the list, according to the *Detroit News*, stands the National Chamber of Commerce. But the most thoroughly looked after industry was affirmed to be railroading with the American Railway Association as the chief bureau in that group. In the scope of its public operations the Association, it was said, was a close rival for the Interstate Commerce Commission.

Frank R. Kent places the number of lobbyists having headquarters in Washington at 145. Of that number he said 60 are really effective with sufficient financial or voting strength back of them to compel consideration.²

¹ *Congressional Record*, Vol. 65, p. 4798.

² A book has just come from the press devoted to a presentation of groups which maintain representatives in Washington. The author presents a list of 423 organizations made up from organizations he encountered in Washington, by using the *Washington Telephone Directory*, the *World Almanac*, the *Washington Directory*, a list published in 1926 by the Bureau of Foreign and Domestic Commerce entitled *Commercial and Industrial Organizations of the United States*, the *Handbook of the Social Resources of the United States*, published by the American Red Cross, and the *Handbook of the Churches*. The organiza-

The Chamber of Commerce, the American Federation of Labor and the American Farm Bureau, it has been said, with their executive domiciles in Washington, are more truly capitols to the three dominant groups of business, labor, and agriculture than the National Capitol.³ Because of the prominence of those three organizations they need extensive consideration.

THE CHAMBER OF COMMERCE OF THE UNITED STATES

The Chamber of Commerce of the United States, housed in a \$3,000,000 building, rests upon an extensive membership. The membership in the Chamber is composed of organizations which are business, industrial, and trade associations, local chambers of commerce and individual and associate members who are members in good standing in any organization admitted by the Chamber. In 1928 there were 1,599 organization memberships with an underlying membership of 876,162 companies and 9,826 individual and 10,723 associate members.

Members pay dues based upon the scheduled annual income from membership fees—approximately one half of one per cent of such income with a \$10 minimum and \$700 maximum. In 1928 a total of \$1,008,277 was collected from dues, the total revenue being \$2,311,089. Some of the expenditures from that fund in 1928 were as follows: Research Department, \$124,471; pro-

tions are divided into seven classes: trade associations, agricultural organizations, labor organizations, professional associations, women's organizations, reform organizations, and nationalists and internationalists. With few exceptions, says the author, the organizations may be placed in those divisions. (Herring, *Group Representation Before Congress*, Appendix 2, p. 276 ff., and Appendix 3, p. 284 ff.)

³ T. M. Knappen, *Century Magazine*, April 22, p. 871.

motion work, including the preparation of the *Nation's Business* magazine, \$1,497,256; resolutions and referenda, \$37,803; press service, \$34,897; organization service, \$24,648; field department, \$207,099. Total expenditures of \$2,725,083 were made for the year.¹

The Chamber of Commerce has an annual meeting composed of delegates from member organizations. A Board of Directors of 46 members heads the Chamber with 34 members selected at the annual meetings, 17 being selected each year for a term of two years, 12 members being ex-officio members. For the purpose of securing geographical distribution in the Board the country is divided into nine election districts, one member being selected from each district, and one member chosen to represent each of the following departments: Civic Development, Domestic Distribution, Finance, Foreign Commerce, Insurance, Manufacture, Natural Resources, Production, and Transportation and Communication. Not more than three of those activities can be represented by members from the same election district.

The Chamber has several methods of influencing legislative action, chief of which are the referendum and resolutions methods. Both of those methods deserve consideration.

The by-laws of the Chamber require that all subjects considered or acted upon by the Chamber shall be national in character, timely in importance, and general in application to business and industry.

The Referendum System.—The practice of submitting propositions to

referenda was adopted in 1912 when the Chamber was searching for a method by which it could discover what the voice of business was on questions. To submit a question to referendum vote of the members the subject must first have been pronounced by the Board of Directors to be national in character, timely in importance, and general in application to business. It then is referred to a committee for report. The question is then incorporated in a referendum pamphlet, which in addition to a statement of the proposition as reported by the Committee, contains the major arguments against the recommendations of the committee, which arguments are prepared by the Research Department of the Chamber. The referendum pamphlet is then submitted to each member of the Chamber and forty-five days are allowed for voting and returning the ballot which accompanies the pamphlet. A proposition is considered accepted if one-third of the voting strength has been recorded and two-thirds of that vote thus cast representing at least twenty states is in favor of the proposition. Members voting in the minority are not bound to support the majority opinion.

A referendum pamphlet contains a ballot on which the propositions are stated. The proposition is either in the form of a question or a committee recommendation, usually the latter, and space arranged to vote "yes" or "no" on the questions or to favor or oppose the recommendations.²

² As an example, the referendum on Mississippi Flood Control contained the following propositions:

(1) The Committee recommends that the Federal Government should hereafter pay the entire cost of constructing and maintaining work necessary to control floods of the lower Mississippi River.

(2) The Committee recommends that the Federal Government should assume the sole

¹ In 1921, Senator La Follette stated that the Chamber of Commerce of the United States was spending \$500,000 a year to organize and mass for or against measures the combined influence of local Chambers of Commerce, Boards of Trade, and banking institutions. (*New York Times*, April 17, 1921.)

Following the statement of the propositions is the full report of the committee in favor of the propositions, which in the case of the Mississippi Flood Control Referendum amounted to eight large pages. Opposite the committee's report were the negative arguments prepared by the Chamber's Research Department, and amounting to the same number of pages.

An explanation in bold type is inserted in the fore part of the pamphlet to the effect that the Board of Directors in authorizing submission of a committee report to referendum neither approves the report nor dissents from it, and to the effect that the purpose of the referendum is to ascertain the opinion of the commercial organizations of the country, not to secure the approval of the recommendations voiced in the report.

Member organizations are allowed to use any method they choose in arriving at a vote on a referendum proposition and accordingly a variety of methods are used. The vote may be made by the Board of Directors of the member organization, it may be made by any one of the officers of the organization, it may be arrived at in a meeting of delegates, or it may be submitted to individual members for a vote.

When the vote is completed the national Chamber then presents the results to Senators and Representatives, government officials, and the public. Accompanying a record showing how each member organization

responsibility for locating, constructing, and maintaining such works.

(3) The Committee recommends that there should be an adequate appropriation to insure efficient, continuous, and economic work, the funds to be available as needed.

(4) The Committee recommends that flood control of the Mississippi River should be dealt with in legislation and administration upon its own merits, separate and distinct from any other undertaking. *Referendum No. 51.*

voted is a statement and argument of the proposition. Representatives of the Chamber appear before Congressional committees, such representatives at times being representatives from the various departments of the National Chamber. If it deems necessary it presents the views of the Chamber to the members of Congress by bulletins and letters and appeals to member organizations to give coöperative support by representation from home to Congressmen and Senators.

The avowed primary function of the Chamber of Commerce is "to obtain the matured judgment of business on national questions and to present and interpret those views to the agencies of government and to the public."

Considerations Regarding the Referendum System.—There are several considerations regarding the work of the Chamber of Commerce in influencing legislation which need to be looked into.

In the first place attention needs to be directed to the type of questions which the Chamber chooses for consideration. At the beginning of the year 1928 a legislative program on which the national Chamber would concentrate its efforts was drawn up. The following subjects made up the program: Federal taxation, flood control of Mississippi, Merchant Marine, postal rates, railway consolidations, government reorganization, immigration, alien property, Turkish-American Treaty, Cuban parcel post, ocean bills of lading, workmen's compensation, federal health activities. Since the adoption of the referendum plan the following subjects have been submitted to referendum vote:¹

Referendum

No. 13. Mount of Resale Prices.

14. Federal Aid for Vocational Education.

¹ *Policies of the Chamber of Commerce of the United States of America*, July, 1927, pp. vii and viii.

15. National Defense Measures.
16. Investigation of Railway Labor Situation.
17. Combination as Related to Natural Resources.
18. Presidential Veto of Separate Items in Appropriation Bill.
19. Prevention of Strikes and Lockouts on Railways.
21. Railroad Regulation.
22. Control of Prices During the War.
23. Trade with Germany after the War.
24. Water Power Development.
25. Financing the War.
26. Reformulation of Trust Legislation.
27. Industrial Relations.
28. Remedial Railroad Legislation.
29. Government Owned Merchant Ships.
30. Creation of Department of Public Works.
31. Employment Relations.
32. Employment Relations in Public Service Corporations.
33. Local Transportation.
34. Revision of Taxation.
35. Reclassification of Government Employees.
36. Forms of Taxation.
37. Tariff Principles.
38. Legislation for Veterans of the World War.
39. Par Remittance for Checks.
40. Federal Department of Education.
41. Trade Association Practices.
42. National Forestry Policy.
43. Transportation.
44. Postal Service.
45. Powers of National Banks.
46. Inheritance Taxes.
47. Legislation Respecting Resale Prices.
48. Merchant Marine Policies.
49. State and Local Taxation.

It can be seen that the subjects in which business is interested make up a large share of the important legislation which comes before Congress. It is not far from the truth, if at all, to say that as far as important questions are concerned the interests of the Chamber of Commerce and Congress are very nearly identical.

Then the second consideration is this. Since the Chamber represents the voice of business it casts the voice of business either for or against the important legislation which comes

before Congress. Granting that the opinion reached by business is a free uninfluenced expression, yet it cannot be denied that if business has a method of using its voice in influencing legislation it has a great advantage over groups which have no methods. If the Chamber's method is more effective than that of other groups it gains by so much. It comes to this, that important legislation will be molded by the business viewpoint if other groups do not as effectively use their voice.

And then the question of whether the results of the referenda can be accepted as entirely uninfluenced decisions needs to be considered. As was stated a subject, before the matter comes to a referendum, is submitted to a committee selected by the Board of Directors of the Chamber, which committee draws up a report containing propositions, recommendations, and arguments in favor of the recommendations. There is an opportunity to determine what propositions and recommendations shall be made through the selection of the appropriate members on the committee. No evidence has been gathered which would show that such control is used by the Chamber, but it should be recognized that the opportunity exists.

If an examination be made of the votes on referenda propositions, some idea can be had of the weight the committee's recommendations carry. Space does not permit the votes on all of the referenda, 52 in number, to be presented, but the last ten may be taken as typical:

43. 1896- $\frac{1}{2}$ -87- $\frac{1}{2}$; 1875-120; 1444-504; 1495- $\frac{1}{2}$ -470- $\frac{1}{2}$; 1708- $\frac{1}{2}$ -272- $\frac{1}{2}$; 1921- $\frac{1}{2}$ -67- $\frac{1}{2}$; 1709-232; 1748-240; 1440-482; 1753- $\frac{1}{2}$ -199- $\frac{1}{2}$; 1492- $\frac{1}{2}$ -470- $\frac{1}{2}$; 1620- $\frac{1}{2}$ -318- $\frac{1}{2}$; 1778- $\frac{1}{2}$ -204- $\frac{1}{2}$; 1326- $\frac{1}{2}$ -512- $\frac{1}{2}$.
44. 2126-47; 2072-66; 1982-153; 1774-372.

45. 2161-105; 2141-123; 1935- $\frac{1}{2}$ -301- $\frac{1}{2}$; 1816-427.
 46. 2001- $\frac{1}{2}$ -230- $\frac{1}{2}$; 2118-119; 2203-59.
 47. 1074-910- $\frac{1}{2}$; 1107- $\frac{1}{2}$ -573; 1055- $\frac{1}{2}$ -565; 807-765- $\frac{1}{2}$; 1246 (question).
 48. 1590-275; 1584-291; 1503- $\frac{1}{2}$ -344- $\frac{1}{2}$; 1528- $\frac{1}{2}$ -323- $\frac{1}{2}$; 1536-307; 1612-250; 1685-152; 1736-118.
 49. 2061- $\frac{1}{2}$ -311- $\frac{1}{2}$; 2208- $\frac{1}{2}$ -165- $\frac{1}{2}$; 1833- $\frac{1}{2}$ -524- $\frac{1}{2}$; 2290-100; 2286-68; 2192-115; 2328- $\frac{1}{2}$ -94- $\frac{1}{2}$; 2285-131; 1506- $\frac{1}{2}$ -884- $\frac{1}{2}$; 2320- $\frac{1}{2}$ -107- $\frac{1}{2}$; 2398-28.
 50. 2581-199; 2815- $\frac{1}{2}$ -108- $\frac{1}{2}$; 3036-47.
 51. 2121-664; 2561-264; 2623- $\frac{1}{2}$ -170- $\frac{1}{2}$; 2609- $\frac{1}{2}$ -202- $\frac{1}{2}$.
 52. 2908-53- $\frac{1}{2}$; 2550- $\frac{1}{2}$ -387- $\frac{1}{2}$; 2915- $\frac{1}{2}$ -29- $\frac{1}{2}$; 2816-117; 2864-76; 2322- $\frac{1}{2}$ -577- $\frac{1}{2}$; 2783- $\frac{1}{2}$ -69- $\frac{1}{2}$.

The voting figures show that five of the 63 propositions included in the last ten referenda were not adopted. A two-thirds vote is required for adoption and although the committee's proposition received a majority vote in those five cases the two-thirds vote was not received. It is, therefore, safe to say that the Chamber can feel that in presenting a proposition it has better than a ten-to-one chance of being adopted. The committee selected by the Board of Directors can feel that it has a great deal of freedom in stating its propositions.

Another question which needs to be considered is the manner of voting by member organizations. The vote in the referenda is not a vote of individual business men, but is a vote for the most part of boards of directors of member organizations. In the referendum taken on Mississippi Flood Control, 1,053 organizations filed ballots, and of that number 712 or 67 per cent were chambers of commerce. It is a fair conclusion that the vote represents that of boards of directors of chambers of commerce to the extent of considerably more than 50 per cent. One would need to know the specific methods of voting by the member organizations in order to know how democratic the vote is. The vote may be cast by a quorum of the Board of Directors and that may

be only a majority of the Board, the vote may be controlled by one or a few members of the Board, or the secretary may send back the ballots, having marked them himself. With such a large percentage of the voting membership consisting of chambers of commerce, there is doubtless a pre-determined state of mind on the part of the boards of directors to accept the proposition of the Committee of the National Chamber unless there is something unusually objectionable.

Effectiveness of Activities.—The effectiveness of the Chamber's activities are well shown by the report given out in 1928. Regarding the legislative program which the Chamber drew up at the beginning of 1928,¹ it reported near the end of the session of Congress that "the Chamber has taken appropriate action in regard to all of these proposals. It has kept its members informed of developments in connection with pending legislation. It has taken all proper means of placing its recommendations before members of Congress, Congressional committees, and government officials." Results reported were:

A tax bill providing for reduction in federal taxation has passed the House and is before the Senate.

Congress has passed a bill for flood control of the Mississippi River in general agreement with the policy of the Chamber.

The Senate passed a bill providing measures to prolong government ownership and operation of the merchant marine—a purpose which the Chamber strongly opposed. The bill was amended in the House, however, and a measure was brought forward which would provide various forms of encouragement for the development of private shipping. That bill is now pending in the House.

A postal rate revision bill, largely in agreement with the principles advocated by the Chamber, was passed by the House.

A bill providing for the voluntary con-

¹ *Supra*, p. 36.

solidations of railways has been reported to the House.

No progress has been made on the plan of reorganization of the government departments as advocated by the Chamber.

In accordance with a resolution adopted at the annual meeting last year, the Chamber opposed proposals for applying the immigration quota principle to Mexico. A measure for that purpose was considered by the House Committee on Immigration and Naturalization, but was not reported.

The alien property bill in agreement with the policy of the Chamber became law on March 10, 1928.

The Turkish-American Treaty was not resubmitted to the Senate; therefore no action ensued.

The Chamber made a strong effort to secure removal of quantity restrictions on imports of cigars and cigarettes—restrictions which prevent negotiation of a parcel post convention with Cuba. A bill for that purpose was reported to the House by the Ways and Means Committee.

The National Chamber has not made specific recommendations as to details involved in the question of Ocean Bills of Lading, but has urged the general principle and has sought to reconcile conflicting views of various American groups. A bill which would enact into law, with slight variations in text, the convention for unification of laws relating to bills of lading for the carriage of goods by sea, has been introduced in both the Senate and the House.

After several years of conflict between opposing forces tentative agreement has been reached on a proposal to provide workmen's compensation insurance for the District of Columbia in line with the policy of the National Chamber.

A bill to correlate forest research activities of the Federal Government has been passed by the Senate.

In accordance with its long standing policy the Chamber again urged legislation to continue the highway building program of the Federal Government. The legislation has been advanced in Congress.¹

¹ *Sixteenth Annual Meeting* (May 7-10, 1928), Board's Annual Report, Resolutions, Officers and Directors, pp. 9-11.

The other important method of influencing legislation is through the passage of resolutions at annual or special meetings of the Chamber. The resolutions are presented to Congress in the same manner as are the results of referenda.

Promotion Work.—The Editorial and Promotion Department of the Chamber is charged with putting into effect the policies of the national Chamber. The Department keeps in close touch with the progress of legislation and, as stated previously, presents to Congress the Chamber's recommendations on legislation, appears before Congressional committees, and, if necessary, calls upon member companies to appeal to their Representatives.

Furthermore, the Editorial and Promotion Departments publish the *Nation's Business*, the policy of which is "to create a national viewpoint for American business" among its members and some 250,000 business executive subscribers. Another publication, *Week's Work*, which that Department puts out, relates the current activities of the Chamber.

The Research Department of the Chamber conducts legislative, legal, and economic research for Chamber members, Chamber committees, and Chamber departments. When the Board of Directors orders that a report of the committee on a subject be submitted to a referendum vote the report is referred to the Research Department and it becomes the duty of that Department to set out the facts necessary for consideration of and voting on the referendum propositions.

In addition the Research Department puts out a weekly bulletin, entitled *The General Bulletin*, which contains "up-to-the-minute" information as to the activities of governmental departments, bureaus, and commissions of concern to business.

It issues weekly during sessions of Congress *The Legislative Bulletin* which follows the progress of all proposed legislation affecting business. Furthermore, it gives special information by letter or wire to members upon request concerning action on bills in Congress, laws, rules, and regulations, their application and administration, court decisions, rulings and other information emanating from all government agencies.

It is felt by the Chamber "that it is a clearing house of business opinion and stands midway between government and business." The Chamber states that it is trying, with a membership scattered all over the country, to duplicate the procedure of a legislative body, that is, to debate and discuss a committee report.

THE AMERICAN FARM BUREAU FEDERATION

The American Farm Bureau Federation has time and again been called the most powerful group represented in Washington. The Bureau rests upon a substructure of 45 state farm bureaus which in turn have a substructure of approximately 1,800 county farm bureaus and rests upon 1,000,000 to 1,500,000 families membership.¹

¹ In addition the American Farm Bureau Federation represents a great number of farm organizations, estimated by Kent to be more than 7,500 units. (Frank R. Kent, *The Great Game of Politics*, p. 260.) At a single hearing before the House Committee on Agriculture the representatives of the American Farm Bureau Federation, besides appearing for that organization, represented the Corn Belt Federation of Farm Organizations, composed of the Missouri Farm Ass'n, the National Producers Alliance, the Iowa Farm Union, the Iowa Farm Bureau, the Iowa State Grange, the Iowa Threshermen's Ass'n, the Ottumwa Iowa Dairy Marketing Ass'n, the Nebraska Farmers Union, the Nebraska Farm Bureau, the Kansas Farm Union, the Kansas Farm Bureau, the Minnesota Farmers Union, the Minnesota Farm Bureau, the Minnesota Wheat Growers, the South Dakota Producers

The initial membership is in the 1,800 county farm bureaus. The fees vary from \$5 to \$10 per family annually and are divided into three parts, the most of it remaining with the County Bureau, a small portion going to the State Farm Bureau Federation, and a smaller portion, fifty cents, going to support the American Farm Bureau Federation.

The support of the American Farm Bureau Federation comes almost entirely from its portion of the fees. In 1928 there was obtained \$150,849 from that source out of a total income of \$160,608. Total expenditures during that year amounted to \$149,378, of which \$21,500 was expended for legislative work, and \$18,200 for the Information Department.

The work of the American Farm Bureau Federation is divided into several departments: Organization,

Alliance, the South Dakota Wheat Growers Ass'n the South Dakota Farmers Union, the North Dakota Farmers Union, the North Dakota Wheat Growers Ass'n, the Oklahoma Farmers Union, the Indiana Farm Bureau, the Central States Soft Wheat Growers Ass'n, the Chicago Milk Producers Ass'n, the Illinois Farmers Union, the Wisconsin Coöperative Creamery Ass'n, the Wisconsin Farm Bureau, the Equity Coöperative Exchange, the Farmers Union Terminal Ass'n, the South St. Paul Farmers Union Livestock Commission House, the Chicago Farmers Union Livestock Commission House, the Sioux City Farmers Union Livestock Commission House, the Kansas City Farmers Union Livestock Commission House, the Omaha Farmers Union Livestock Commission House, the American Council of Agriculture, the Minnesota Council of Agriculture, the Montana Farmers Union, the National Corn Growers Ass'n, the Burley Tobacco Ass'n, the Dark Tobacco Ass'n, the National Farmers Union, and the American Cotton Growers Exchange. (*Agricultural Relief*, Hearings before the Committee on Agriculture, House of Representatives, 70th Congress, 1st Session, Part 1, p. 1 and 2.)

Two other powerful farm organization in Washington are the Farmers' Educational and Coöperative Union of America, and the National Grange of the Patrons of Husbandry.

Marketing, Home and Community, Information, Legislative, Transportation, and Research. It is the work of the Legislative Department which is of prime concern here.

Legislative Work.—The Legislative Department has a director, a secretary, and an assistant director. The work of the Department does not have to do entirely with legislative projects. The work may be divided under five headings: legislation, departmental work, organization activities, research, and contacts and relationships. But the outstanding work is that devoted to legislative matters.¹

In its legislative work the Department makes appearances before committees, before departments, chiefly the Department of Agriculture, assembles information on legislative matters and presents it to Congressmen or committees of Congress, holds conferences with leaders in Congress, holds conferences with other organizations, keeps a close watch on progress of bills, keeps a detailed record of the vote of members on bills in which the Bureau is interested, keeps its members informed of status of bills, furnishes summaries of bills, asks members to make appeals to Congressmen, represents the interests of state or county bureaus in public hearings and in private conference, furnishes advice as to drafting of bills, and secures promulgation of department rulings to properly carry out laws for protection of agriculture.

In order to see how extensive the work of the Bureau has been in influencing legislation an examination needs to be made of the last few years' work of the Legislative Department. In 1924 the Bureau reported it had been concerned with a large number of measures. It fought for the McNary-Haugen bill, it helped to secure the

passage by Congress of the measure to further restrict immigration on the basis of 2 per cent of foreign born in the United States according to the 1890 census, it urged amendment to eligibility clause of the Federal Reserve Act to limit all rediscounts to 2 per cent above the base federal reserve rate, worked for the Ketcham bill regarding the reporting of foreign agricultural conditions by the Department of Agriculture, continued the fight for passage of Capper-French Truth-in-Fabric bill, worked for appropriations to the Department of Agriculture, fought the proposed raise in parcel post and fourth class mail matter, helped to secure the change of the Dairy Division of the Department of Agriculture into a Dairy Bureau, helped to secure enactment of a provision putting more teeth into Packers and Stockyards Act, supported the Purnell bill to increase appropriations to agricultural experiment stations, worked against reduction of tariff on sugar, against increased tax on nitrate of soda, for increased tariff on Danish butter, advocated a non-partisan tariff commission, opposed sales tax, favored reduction of income taxes upon the plan of the greater the income the higher the rate, helped to secure an extension of the provision of the War Finance Corporation in lending funds to banks in agricultural regions and to coöperative marketing associations, and "after a tireless fight pushed the Muscle Shoals bill, for the development of electric power and cheaper fertilizer, through the House by a vote of 227 to 142."²

Lobbying in Sixty-ninth and Seventieth Congresses.—In 1927 the Bureau reported that during the past year it had given its support to twenty-one bills and opposed ten. Eight of the bills sponsored during the sixty-ninth Con-

¹ *Report of American Farm Bureau Federation, 1928, p. 914.*

² *Seventy Points of Service in 1924. American Farm Bureau Federation Report, p. 5.*

gress were passed and several others were reported as having a good chance of passage during the second session. Only one of the ten bills opposed was passed. The support of a long list of measures was reported in 1927 and several measures opposed. The strength of the Bureau in influencing legislation was well shown in the seventieth Congress. The Bureau was concerned with more than fifty bills in that Congress. It was able to report that affirmative action had been taken by both Houses of Congress upon twenty-two measures which it supported.¹

And it was able to report progress upon eighteen others.²

The Bureau reported that in support-

¹ (a) McNary-Haugen farm relief; (b) revenue; (c) flood control; (d) inland waterway appropriations; (e) authorization for corn-borer control; (f) McNary-McSweeney Forestry Research; (g) McNary-Woodruff Reforestation; (h) Federal aid to highways; (i) Radio Commission continued one year; (j) Copper-Ketchum Agricultural Extension; (k) more funds for Tariff Commission; (l) more funds for continuance research program U. S. D. A.; (m) Walsh Resolution to investigate the power trust by Federal Trade Commission; (n) standard containers; (o) wool standards; (p) reduced postal rates; (q) extension of the Mississippi barge line; (r) special funds for eradication of the pink boll worm; (s) emergency funds for replacing roads and bridges destroyed by floods in Vermont, Kentucky, and New Hampshire; (t) poultry classification; (u) new uses for cotton; (v) general appropriations for agriculture. (*American Farm Bureau Federation Report, 1928, p. 14.*)

² (a) The decennial census; (b) agricultural attaché; (c) agricultural day resolution; (d) the "lame duck" resolution; (e) redefining oleomargarine; (f) more funds for vocational training; (g) new postal policy; (h) defining lobbyists and requiring registration; (i) carrying certain poisons by mail; (j) trade-marking the name "Farm Bureau"; (k) amendment to the packer and stockyards act; (l) corn borer appropriation; (m) regulation of produce marketing; (n) amendment to Grain Futures Act; (o) several bills raising rates of duty on farm crops; (p) truth-in-fabrics; (q) amendments to Farm Loan Act; (r) Muscle Shoals. (*The American Farm Bureau Federation Report, 1928, p. 14.*)

ing or opposing bills during that Congress it had made appearances before many of the committees of both Houses including the Ways and Means, Agriculture and Forestry, Flood Control, Irrigation and Reclamation, Military Affairs, Rivers and Harbors, Appropriations, Interstate and Foreign Commerce, Immigration and Naturalization, Roads, Post Offices and Post Roads, Judiciary, Patents, Expenditures, Education, Coinage, Weights and Measures, Census, Banking and Currency, Finance, Printing, and Rules.

Lobbying to Influence Administrative Action.—The Bureau conducts extensive activities in appearing or securing appearances before departments and commissions. The largest share of the departmental work is with the Department of Agriculture, but aside from that in 1928 the Bureau reported that during the last year it had brought Farm Bureau representatives before many departments and commissions including among others the War, State, Treasury, Navy, Interior, Post Office and Commerce Departments, the Interstate Commerce Commission, the Radio Commission, the Farm Loan Board, and the Shipping Board.

A great deal of attention is given by the Bureau to the Tariff Commission, second only to that given to the Department of Agriculture. According to the Bureau's statement in 1928 it had in the preceding year made appeals to the Tariff Commission asking increased duties on farm commodities, cheese, cherries, maple sugar, onions, maple syrup, fresh tomatoes, milk, canned tomatoes, cream, tomato paste, sweet peppers, corn, eggs, and egg products.³ Appeals come to the National Bureau from State Bureaus, which appeals may have originated in County Bureaus, and the National Bureau takes action.

³ *The American Farm Bureau Federation Report, 1928, p. 14.*

During the recess period of Congress the Legislative Department spends much of its time in aiding organization work. It is felt by that Department that legislation at Washington can be most effectively secured when those who represent the Farm Bureau can speak with the authority of a great number of members behind them. "In a representative democracy," the Department reported, "such as we enjoy, votes count, but the voice of the citizens counts in at least one other way than when registered on the ballot. Organization has come within the last twenty years to be perhaps as effective in getting legislation at Washington as is the expression of our citizenship at the ballot box. . . . The more memberships which can be represented by our spokesmen at Washington, the easier it will be, other things being constant factors, to get that consideration for agriculture which we all desire."

The Legislative Department also believes that a great deal of research is necessary in effectively presenting legislative projects to Congress. "Without research in legislation," it asserts, "mere strength of numbers would be ineffective even though we should have every farmer in the United States in the Farm Bureau." A significant movement toward increased research was brought about by the Washington office of the Farm Bureau by grouping together about eighteen national organizations of various kinds to advocate a greatly enlarged research program on the part of the Department of Agriculture.

Organization and Promotion Work.—So much for the Legislative Department. There are other departments, notably Information and Organization, the work of which must be considered as influencing legislation. It was seen above that the Legislative Department

engages in organization work to further its legislative program. And so that work of the Organization Department helps to lay the foundation from which the Legislative Department derives its power over legislators. During 1928 members of the Organization Department and of the Organization Committee of the Board of Directors visited 42 states, holding conferences with State Boards of Directors and gave direct assistance to organization work in twenty states.

The Information Department in general "provides facilities through which the leadership is kept posted, the membership informed, and the public kept sympathetic toward the program and progress of agriculture." One of the major activities of the Department is publishing the monthly magazine, the *Bureau Farmer*, which now has more than a half million subscribers. Another important activity of the Department is the promotion of the motion picture program. In 1928 six new feature Farm Bureau productions were made during the year, making in all 200 Farm Bureau pictures available for County and State Farm Bureau use. During 1929 at least ten new pictures will be developed. The Information Department does a great deal of work in furnishing material to the newspapers. News releases are sent out, stories and feature articles are prepared. The Department reported that in 1928 nine thousand twenty-five news releases were prepared and given to the daily press and other publicity agencies, thirty-six feature articles were prepared upon request for national publications. Lastly, the Department supplies information to members and handles individual correspondence on whatever subject.

There can be no doubt that the American Farm Bureau Federation wields a powerful influence upon legis-

lation at Washington and in state legislatures, the essence of its power lying in its control over elections, a control derived from its extensive membership.¹

THE AMERICAN FEDERATION OF LABOR

The American Federation of Labor is an organization of great extent.² It is based upon 49 state federations, and 29,394 local unions. In addition, within the organization are 365 local trade and federal labor unions, 106 national and international unions and 794 city central bodies. The Federation rests upon an underlying individual membership of 3,312,526 of which 2,812,526 are paid-up memberships.³

During 1927 the Federation received \$534,284 and expended \$485,033 of which amount \$8,133 was expended for legislative work, \$114,778 for organization expenses, and \$86,963 for publishing the *American Federationist*, the monthly magazine of the Federation.

Evidence of Influence on Legislation.

—The Federation has taken an active part in supporting or opposing legislation for many years. There can be little doubt that the Federation has had great influence on the form of immigration legislation. A campaign against unrestricted immigration was begun in

1891 and continued until some success was achieved in 1907, promoted the literary test provision which was adopted in 1913, and urged the adoption of the 3 per cent law in 1921 and the 2 per cent law in 1924.

A campaign was begun by the Federation in 1881 demanding that the national eight-hour law for mechanics and laborers on public works for the United States, which had been enacted in 1868, be enforced and the campaign continued until action was taken by Congress in 1892 amending the law and providing for a shorter work day for all mechanical labor on public work. The Federation kept up its campaign to secure the enforcement of that law. An executive order directing the enforcement of the law and prosecution of its violators was issued in 1906, and in 1912 extensions in favor of labor were made by Congress.⁴

The Federation has over a long period worked for child labor legislation. Activity for such legislation began in 1881 and centered upon state legislatures. Doubtless the Federation has many state child labor laws to its credit. The Federation turned its attention to securing regulation by Congress and promoted the law enacted in 1916 prohibiting interstate transportation of products in the production of which the labor of children was employed. The law was declared unconstitutional by the Supreme Court in 1918 and the Federation sought another method by which Congress could regulate child labor and urged the adoption of an amendment to the revenue bill of 1919 providing for an excise tax of 10 per cent on the net profits of the employers of child labor. The amendment was adopted but was declared unconstitutional by the court in 1922. The Federation then, as it

¹ Clinton N. Gilbert, in an article entitled "Why Finis Garrett of Tennessee Has Made Enemies," stated that "every time a big issue arises he makes enemies. At that time it was over the McNary-Haugen bill. He voted against it and the American Farm Bureau sent agents among the cotton growers of his district to teach him a lesson." (*The Daily Mirror of Washington, Philadelphia Public Ledger*, August 26, 1926.)

² In considering labor's representation in Washington and at state legislatures, the four Railroad Brotherhoods should be remembered. Headquarters are maintained at the National Capital and effective work is done in influencing elections throughout the country.

³ *Proceedings of the American Federation of Labor*, 1927, p. 27.

⁴ *Legislative Achievements of the American Federation of Labor*, pp. 2 and 3.

reports, "had a joint resolution introduced in Congress proposing an amendment to the Constitution giving Congress the power to regulate child labor." The resolution passed Congress, but the ratification of the necessary number of states was not secured even under the great pressure which the Federation exerted upon state legislatures.

In 1906, at a meeting of the presidents of all international unions, a "Bill of Grievances" was drawn up which was submitted to the President and to the two Houses of Congress. By 1917, the Federation reports, practically every demand set out in the bill had been enacted into law.¹ Since 1905 the Federation reports that labor has secured the passage of 230 remedial laws by Congress and at the same time has defeated hundreds of objectionable bills.²

Lobbying in the Sixty-eighth Congress.—The bills before Congress with which the Federation has been concerned vary widely in their subject matter. Bills dealing with hours of labor and compensation occupy a prominent place.

¹ *Legislative Achievements of the American Federation of Labor*, p. 4.

² *Ibid.*, pp. 5 and 6.

In the 59th Congress, the Federation reports that four measures of interest to labor were enacted and two hostile bills defeated; in the 60th Congress, six favorable bills were enacted and five hostile ones defeated; in the 61st Congress, 15 favorable bills were enacted; in the 62nd Congress, 27 favorable bills were enacted; in the 63rd Congress, 27 favorable bills were enacted, four hostile ones defeated; in the 64th Congress, 25 favorable bills were enacted, six hostile ones defeated; in the 65th Congress, 42 favorable bills enacted, 4 hostile ones defeated; in the 66th Congress, 20 favorable bills enacted, 14 hostile ones defeated; in the 67th Congress, 29 favorable bills enacted, 28 hostile ones defeated; in the 68th Congress, 17 favorable bills enacted, 12 hostile ones defeated; in the 69th Congress, six favorable bills enacted, 5 hostile ones defeated; and in the first session of the 70th Congress, 16 bills favorable to labor were enacted.

Interest in immigration bills has often been manifested. Perhaps a perusal of the bills enacted and defeated during one of the sessions, the sixty-eighth, for instance, during which the Federation reported that not one measure inimical to labor was enacted, will serve to indicate the wide range of subjects with which the Federation is concerned. The measures of interest favorable to labor enacted during that session were:³

1. For protection of Alaskan fisheries.
2. Review of awards for compensation for injuries, government employees.
3. Increase in salaries for police and firemen, District of Columbia.
4. Extension of District of Columbia Rent Act.
5. Reorganization and improvement of foreign service of United States.
6. To regulate and fix wages of employees of Government Printing Office.
7. To limit immigration into the United States.
8. Adjusted compensation for veterans of the World War.
9. Increase in salaries for teachers of District of Columbia.
10. Appropriating \$1,000,000 annually for three years for use of states in vocational rehabilitation work, etc.
11. To limit, regulate and prohibit labor of children under 18 years.
12. Increase in wages for postal employees. (After being vetoed by the President it was passed again and became a law.)
13. Raising the compulsory education age of persons in the District of Columbia from 14 to 16 years.
14. Authorizing the President to modify or abolish visé fees in certain cases.
15. Providing for payment of claims to employees of the Bethlehem Steel Company of \$1,600,000.
16. Increases in wages for 330 employees in the employ of the Bureau of Engraving and Printing.
17. Ratification of treaty recognizing Cuba's right to Isle of Pines.

The hostile legislation defeated during that session was:⁴

1. Providing that every alien now in the United States and those who enter hereafter

³ *Ibid.*, pp. 21 and 22.

⁴ *Ibid.*, p. 22.

must register and be finger-printed under penalty and register each year afterwards for five years.

2. Providing for conscription of men in industry in times of war or whenever the President declared a national emergency.

3. Making it more difficult to secure amendments to the Constitution.

4. Prohibiting work of any kind except domestic and hotel service on Sunday in the District of Columbia.

5. Authorizing the President to direct the Marine Band to play at fairs and thus compete with union musicians.

6. Providing for a Department of Education and Relief which would consist mostly of military bureaus.

7. "Equal rights" amendment to the Constitution, which would make void all laws for the protection of women in industry.

8. Prohibiting picketing in labor disputes in the District of Columbia.

9. Providing that officers of the army and navy, including those retired, may be assigned by the head of any department to duty in any branch, agency or political division of government whenever authorized by the President.

10. Establishing a federal court of "conciliation" to hear and determine industrial disputes affecting interstate commerce.

11. Taking the police power from the several states and placing it in the Federal courts in controversies in which aliens are involved.

12. Providing for the deportation of certain aliens which would affect those engaged in industrial disputes.

Lobbying at State Capitols.—Besides its work in influencing legislation before Congress the Federation reports that hundreds of laws have been secured in the states favorable to labor. Workmen's Compensation laws, the Federation reports, have been secured in 43 states, sweatshops have been eliminated practically everywhere, and tenement house work has been minimized through the efforts of labor. Sanitary workshops have been secured, child labor has been abolished in many states, and a great range of laws have been defeated. The work of the Federation among state legislatures can perhaps be seen best by looking at the report of activities for one year.

The Legislative Committee reported upon legislative work in the states

during 1927. The work consisted for that year more in defeating inimical bills rather than in securing the enactment of favorable ones. In Arizona during that year an eight-hour law for women was enacted; in California hours of work on public work were fixed, the payment of wages law was strengthened, the minimum wage law for women and minors was favorably amended, and others; in Florida beneficial amendments to the mechanics' lien and child labor laws were secured; in Illinois 16 laws beneficial to labor were secured; in Indiana 3 favorable laws were enacted; in Maine, 3; in Maryland, 4; in Montana, one; in Nevada, one; in New Hampshire, 5; in New York, 6; in North Carolina, 2; in Texas, one; and in Washington, 3.

Inimical bills were defeated in Illinois, Indiana, Massachusetts, Montana, New Hampshire, New Jersey, Texas, Washington, West Virginia and Wyoming. In Illinois, New Jersey and Texas the report states that all bills hostile to labor were defeated.¹

There can be no doubt that the American Federation of Labor casts a powerful influence in securing the enactment or defeat of legislation affecting labor. Inquiry needs to be made into their methods of using influence.

Methods of Lobbying Used.—The Federation uses the indirect form of lobbying almost entirely by supporting Congressmen or state legislators in primaries and elections. Because of its large membership it can effectively aid or oppose candidates. The Federation started upon this policy of influencing legislation in 1906 when, shortly after the meeting at which it drew up the "Bill of Grievances," a plan of campaign was formulated declaring that "we will stand by our friends and

¹ *Proceedings of American Federation of Labor, 1927.*

administer a stinging rebuke to men or parties who are either indifferent, negligent, or hostile.”¹ Since that time the Federation has pursued a non-partisan policy in supporting candidates for Congress and state legislatures.

In pursuance of that policy the Federation claimed a large measure of credit for the change of the political complexion of the House of Representatives in the Congressional elections of 1910. The extent of the Federation's activities in helping to elect or defeat Congressmen and state legislators may be seen by examining its activities in that respect during 1921 and 1922. The Federation was dissatisfied with the activities of the sixty-seventh Congress and set out to send legislators to the Capitol favorable to the interests of labor.

A national non-partisan campaign committee was established and a non-partisan campaign commenced in the fall of 1921, looking forward to the primaries and elections of 1922. Circulars were sent to all national, international and local unions, and state and city central bodies, outlining the plans to reflect public officials who had been true to labor and to defeat those who had acted unfavorably.²

The Federation sent out great quantities of material to help influence elections. To all states went the records of the Senators and to each Congressional district the records of the representatives. The organizers in the field of the American Federation of Labor were called upon to take part in the campaign. City and state non-partisan campaign committees were organized. All organizations were urged to appoint legislative committees

for their respective localities to keep a record of the votes of the state legislators and that such committees should become non-partisan campaign committees in the primaries and elections. Those committees were furnished also the records of members of Congress. In July, 1922, a circular letter was sent to nearly 40,000 campaign committees outlining what should be done to make the campaign a success.

The Federation coöperated with farm organizations. Conferences were held with representatives of farm organizations in Washington and an understanding was reached on many candidates. During the campaign the Federation's campaign committee was repeatedly asked by representatives of farm organizations if certain candidates for Congress were acceptable to labor as they did not wish to endorse anyone unfriendly or oppose those friendly to labor. In every instance the Federation reported the farmers were supporting or were willing to support the same candidates as labor.³

During September, 1922, the individual records of every member of the United States Senate and House of Representatives were sent to all central bodies and nearly 40,000 local unions throughout the country along with a great deal of other material showing among other things legislation which would appear in the next session of Congress and the attitude of legislators toward such legislation. Special circulars were sent into Nevada in the interest of Senator Pittman, to Wyoming in the interest of Senator Kendrick, to Minnesota in opposition to Senator Kellog, to Wisconsin in the interest of Senator La Follette, to New York State for the purpose of organizing non-partisan political campaign committees to oppose Governor Miller,

¹ *Legislative Achievements of the American Federation of Labor*, p. 3.

² *Proceedings of American Federation of Labor*, 1923, p. 46.

³ *Ibid.*, p. 51.

Senator Calder, and other antagonists of labor.¹

Success of Campaign Activities.—As the outcome of all its campaign activities the Federation reported that 23 candidates for the United States Senate who had been loyal to labor were elected and 11 unfavorable ones defeated. Of the candidates for representatives 170 were elected either because directly supported by the American Federation of Labor or by reason of the opposition to their opponents.²

The American Federation of Labor, because of its work in elections, upon its own statement has Senators and Representatives in Congress who are favorable to its program and upon whom it can count when it wants bills introduced and promoted. One member of the Federation confidently stated that "when we want a bill introduced we go over and have one of our men introduce it."

Coöperation among Trade Union Lobbyists.—Another method of influencing legislation used by labor organizations should be mentioned. In 1921 a Conference Committee of Trade Union Legislation was organized which brings trade union legislative representatives in Washington together at intervals during the year to confer on legislation before Congress. From 30 to 40 members attend the meetings and each bill which directly or indirectly affects labor is considered exhaustively. If a difference of opinion prevails the matter is thrashed out until whatever action taken is unanimous.

The need of such a conference is felt because of the great number of bills to be analyzed, because of the various legislative representatives working out of harmony, and because it was felt

that greater influence would result from the very fact that so many were actively working along the same line. The Federation reported in 1923 that since the organization of the Conference Committee, "labor has been usually successful in defeating much pernicious legislation and at the same time has prevented the repeal of remedial legislation."³

There can be no doubt that labor plays a very important part in influencing legislation in Congress and in state legislatures.

OTHER LOBBYING ORGANIZATIONS

What is true of those three outstanding groups is true of many of the other national organizations, perhaps to a somewhat less degree. The Anti-Saloon League at the height of its power had back of it state organizations and in some states county organizations with a sub-structure made up in large part of coöperating churches.⁴ The League maintained as part of its organization a legislative committee under the supervision of a legislative superintendent, whose chief business was to keep an eye on Congress.

The National Association of Manufacturers organized upon a state basis includes manufacturers in all parts of the United States. The National Industrial Conference Board has 30 affiliated organizations, most of them national in scope.⁵

³ *Ibid.*, p. 45.

⁴ The average number of affiliated churches between 1911 and 1925 is placed not far short of 30,000 by P. H. Odegard. In Pennsylvania alone there were 5,000 coöperating with the League with a total membership of about 1,500,000. (P. H. Odegard, *Pressure Politics*, p. 20, 21.)

⁵ The affiliated organizations of the National Industrial Conference Board are: American Electric Railway Ass'n, American Gas Ass'n, American Paper and Pulp Ass'n, Associated Corn Products Mfrs., Bolt, Nut and Rivet Mfrs. Ass'n, Manufacturing Chemists Ass'n of the

¹ *Proceedings of American Federation of Labor*, 1923, p. 52.

² *Ibid.*, p. 50.

The National Council for Prevention of War is the clearing house for 36 national organizations of that nature. The Federated Council of Churches represents Christian denominations with membership upwards of twenty million members.

The General Federation of Women's Clubs is composed of more than 12,000 women's clubs throughout the country with a total membership of about 2,000,000.¹ The various national women's organizations in Washington of which there are more than a score, have formed a joint Congressional Committee to secure unity of action by women in supporting legislation.

Trade associations of every variety have their representatives in Washington. Some rely upon the Chamber of Commerce of the United States for rep-

U. S., Nat'l Ass'n of Mfrs. of the U. S., Nat'l Ass'n of Sheet and Tin Plate Mfrs., Inc., Nat'l Ass'n of Wool Mfrs., Nat'l Automobile Chamber of Commerce, Nat'l Boot and Shoe Mfrs. Ass'n, Nat'l Clay Products Industries Ass'n, Nat'l Electrical Mfrs. Ass'n, Nat'l Electric Light Ass'n, Nat'l Founders Ass'n, Nat'l Metal Trades Ass'n, The American Cotton Mfrs. Ass'n, The American Pig Iron Ass'n, The National Ass'n of Cotton Mfrs., The Rubber Ass'n of America, Inc., The Silk Ass'n of America, Tobacco Merchants Ass'n of the U. S., Associated Industries of Massachusetts, Associated Industries of New York State, Inc., Illinois Mfrs. Ass'n, The Manufacturers Ass'n of Connecticut, Inc., Air Service, U. S. Army, Military Intelligence Division, U. S. Army, Ordnance Department, U. S. Army, Bureau of Ordnance, U. S. Navy.

¹ Senator La Follette in 1921 drew up a list of 19 outstanding lobbying organizations in Washington as follows: U. S. Chamber of Commerce, Nat'l Ass'n Mfrs., American Ass'n of Meat Packers, Nat'l Coal Ass'n, Wholesale Coal Dealers Ass'n, Nat'l Petroleum Ass'n, Nat'l Water Power Ass'n, Nat'l Lumber Mfg. Ass'n, Nat'l Ass'n for Protection of American Rights in Mexico, Lumberman's Bureau, American Beet Sugar Ass'n, American Cane Sugar Ass'n, U. S. Sugar Mfrs. Ass'n, Hardware Mfrs. Ass'n, Nat'l Cannery Ass'n, Nat'l Ass'n of Real Estate Boards, American Railway Ass'n, Ass'n of Railway Security Holders, Ass'n of Railway Execu-

resantation, but many choose to have their own counsel at the Capitol. While it is true that trade associations take a keen interest in what is done at Washington their chief interest is in the action of state legislatures. Scattered throughout the states are more than 2,000 such associations, practically all of which at times are interested in what is done at state capitols.²

In the recent Federal Trade Commission investigation of utility corporations, the extent of the utilities' lobbying organizations are seen. The Joint Public Utilities Committee made up of the American Gas Association, the American Street Railway Association, and the National Electric Light Association, with headquarters in New York City, established a Washington office about June 1, 1927, upon the feeling that "Washington is beginning to play an increasingly important part not only in the political life of America but in its economic life."³ In a few months the Joint Committee collected \$400,000, employed two former United States Senators as counsels in Washington and generally became very active.⁴ The Joint Committee in New York and the Washington office are only part of the utilities organization. The Joint Committee helped to form state in-

² At the Conference on Good Government in Industry held in 1925 Hoover stated that "You would be a good deal astonished if you looked over the great mass of legislation introduced into Congress, which would lead into business to find how much of that comes up from the business world." (*Proceedings of the Conference on Government in Industry*, 1925, pp. 44-5. Cited by Herring, *Group Representation in Congress*, p. 100.) Herring states that the offices of over 100 Trade Associations are listed in the Washington telephone book.

The Trade Associations secure coöperation in Washington through an organization of their executive secretaries known as the American Trade Association Executives. (Herring, *Group Representation in Congress*, p. 105.)

³ *Utility Corporations*, Part 3, p. 76.

⁴ *Ibid.*, p. 30.

formation bureaus in 28 states and operating in 38.¹

All of the State Bureaus besides had local managers throughout the states in which they operated, and the bureaus were made up of member companies, including electric light and power companies, street railway companies, telephone companies, gas companies, water companies, and railway companies varying somewhat as to the number of those classes of companies included among the different bureaus.² The usual arrangement for financing the bureaus was a contribution by member companies amounting to one-fifteenth of 1 per cent of their gross revenues for the year.³

Federal employees have their representation in the National Federation of Federal Employees.⁴ The teachers are

¹ *Utility Corporations*, Part 1, p. 21. Testimony of George F. Oxley, Director of Department of Public Information of the National Electric Light Association.

States having Utilities Information Bureaus were Indiana, Ohio, Kentucky, Missouri, Arkansas, Nebraska, Oklahoma, Michigan, Wisconsin, Iowa, Texas, California, New York, Georgia, Washington, Connecticut, Pennsylvania and New Jersey, Florida, North Carolina, South Carolina, West Virginia, Louisiana, Mississippi, Kansas, Massachusetts, Colorado, Tennessee. The Bureau in Boston, Mass., operated in all the New England states excepting Connecticut. The Bureau in Colorado operated among the Rocky Mountains states. One committee operated in Pennsylvania and New Jersey. (*Utility Corporations*, Part 2.)

² *Utility Corporations*, Part 3, p. 234.

³ *Ibid.*, p. 406.

⁴ When civil service retirement legislation was under consideration before the Committee on the Civil Service of the House and Senate, the following associations sent representatives before the committees: National Association of Letter Carriers, National Federation of Post Office Clerks, Railway Mail Association, United National Association of Post Office Clerks, National Association of Postal Supervisors, Rural Letter Carriers' Association, National Federation of Rural Letter Carriers, Service Postmasters of the United States, National Council of Postal Employees, Women's Auxiliary of the National

effectively represented through the National Educational Association and the war veterans have the American Legion as well as several other organizations to look after their interests.

THE MONDAY LUNCH CLUB

In Washington the legislative agents of many of the outstanding interests have formed a luncheon club known as the "Monday Lunch Club," where they meet weekly. It was formed in 1920 chiefly through the activities of the agent of the National Association of Manufacturers who proposed to half a dozen other Washington representatives of commercial and industrial organizations that they get together at luncheon and talk over common matters. Membership has now grown to sixty or seventy, and includes most of the agents of important commercial, industrial, and agricultural associations in Washington. Representatives of labor have been invited to join the club, but thus far have remained aloof. The club does not include lobbyists who represent merely one or two clients.

The club has two stated purposes: to promote acquaintanceship among men doing the same kind of work and to act as a clearing house of information of common interest to members. At their meeting informal discussions of hearings, bills, Supreme Court decisions and other governmental acts take place and speakers are invited on occasions—Cabinet officers, Department heads, Army and Navy officers, Senators and Representatives and so on. Newspaper reporters are not allowed to be present at the meetings.⁵

Federation of Post Office Clerks, and the National League of District Postmasters. (Herring, *Group Representation in Congress*, p. 147.)

⁵ *New York Times*, June 10, 1923.

A complete list of the names of the legislative agents and the interests they represented was given by Frank R. Kent in 1924. The following

LOBBYISTS AT STATE CAPITOLS

It is not to be thought that Congress stands alone in being surrounded with lobbyists. Administrative officers come in for their share of pressure from agents of the different interests and state legislatures are continuously under surveillance. The Anti-Saloon League with its organization in every

state kept an eagle eye on state legislatures.¹

One of the purposes for the formation of the state bureaus of public utility information was to have an agency which would keep its eye on the state legislature and in numerous instances the directors of the bureaus testified that they are fulfilling the purpose. The extent to which the New York legislature is surrounded by lobbyists is shown by a list of those present in Albany during the 1928 legislature showing more than forty legislative representatives keeping an eye on the legislators.²

During the 1928 session of the legislature in Massachusetts 77 legislative agents registered. During a recent session in California 127 lobbyists were

interests were represented: Institute of Margarine Mfrs., American Agriculture Editors Ass'n, Nat'l Lumber Mfrs. Ass'n, Grain Dealers Nat'l Ass'n, Nat'l Ass'n of Sand and Gravel Producers, Nat'l Coal Ass'n, Nat'l Ass'n of Retail Druggists, American Mining Congress, So. Hardwood Traffic Ass'n, American Wholesale Coal Ass'n, Nat'l Lumber Mfrs. Ass'n, Public Relations Section, American Railway Ass'n, Domestic Distribution Dept., Nat'l Petroleum Ass'n, Institute of American Meat Packers, United Typothetae of America, Nat'l Lime Ass'n, Nat'l League of Comm'n Merchants of the U. S., Nat'l Industrial Council, Nat'l Coal Ass'n, Interstate Cotton Seed Crushers Ass'n, Nat'l Fertilizer Ass'n, American Electric Railway Ass'n, American Gas Ass'n, and Nat'l Electric Light Ass'n, Nat'l Automobile Chamber of Commerce, American Wholesale Lumber Ass'n, Investment Bankers Ass'n, National Grange, Nat'l Industrial Conference Board, American Ass'n of State Highway Officials, Associated General Contractors of America, Hawaiian Sugar Planters Ass'n, American Electric Railway Ass'n, American Gas Ass'n, National Electric Light Ass'n, American Bankers Ass'n, American Beet Sugar Ass'n, Nat'l Council of American Cotton Mfrs., Nat'l Lime Ass'n, American Hardware Ass'n, Portland Cement Ass'n, American Short Line Railroad Ass'n, American Sugar Cane League of the United States of America, American Hardware Mfrs. Ass'n, Nat'l Ass'n of Credit Men, American Farm Bureau Federation, American Drug Manufacturers Ass'n, Chamber of Commerce of the U. S., Chemical Alliance, Inc., Manufacturing Chemists Ass'n of the U. S., Nat'l Fertilizer Ass'n, Proprietary Ass'n, Nat'l Dairy Ass'n, Associated Industries of Massachusetts, Boxboard Mfrs. Ass'n, American Short Line Railroad Ass'n, Associated Advertising Clubs of the World, Nat'l Ass'n of Mfrs., Associated Gen'l Contractors of America, Nat'l Retail Drygoods Ass'n, Federated American Engineering Societies. (Frank R. Kent, *The Great Game of Politics*, pp. 272-3.)

¹ The Superintendent of the New York League declared in 1912: The Anti-Saloon League is the only reform organization in New York State which has a personal representative or representatives at the Capitol each day of the legislative session. Report of Superintendent, *American Issue*, New York Edition, September 12. (Quoted by P. H. Odegard, *Pressure Politics*, p. 106.)

² Those lobbyists were: New York Civic League, Anti-Saloon League, State Charities Aid Ass'n, Third Ave. Railroad, Otis Elevator Co., General Contractor Ass'n, Real Estate Board of New York, Associated Industries, Y. W. C. A., Western Union Telegram Co., W. C. T. U., Building Trades Employers Ass'n, New York Ass'n of Builders, New York State Employers Ass'n, New York State Shorthand Reporters Ass'n, New York State Federation of Labor, S. P. C. C. and S. P. C. A., New Haven, Erie, Lehigh Valley, Lackawanna, and five other railroads, Civil Service Reform Ass'n, Order of Good Templars, Locomotive Engineers, Rural School Improvement Society, Fish, Game and Forest League, Lord's Day Alliance, Brotherhood of Railroad Trainmen, Osteopathic Society, State Council of Carpenters, American Surety Co., Automobile Merchants Ass'n, American Birth Control League, Child Labor Committee, League of Women Voters, New York Telephone Company, Insurance Federation, New York State Automobile Ass'n, State Medical Society, New York Central Railroad. (*Contact*, No. 28, cited by Graves in *Readings in Public Opinion*, p. 1054.)

on hand.¹ In Ohio in 1925, 170 lobbyists registered.

The American Farm Bureau Federation with its 45 state organizations is ever on the alert to prevent legislation unfavorable to agricultural interests by the State legislatures.²

Lobbying as it has been defined does not only include the influence exerted upon legislators during the session of the legislature. There are various other methods of lobbying as has been shown, and an organization may devote its efforts to helping elect favorable legislators or defeating unfavorable, or

towards developing opinion among the people which will elect the kind of legislators wanted and pay little or no attention to the legislative session.

For that reason lobbying organizations do not necessarily have their headquarters at the national or state capitals, but usually they do have or maintain an agent there, at least, during the legislative session. Close scrutiny of the activities of the legislative body is necessary in order to direct the indirect methods of lobbying.

CHAPTER IV

METHODS OF LOBBYING

IN the discussion of the extent of lobbying, most of the methods used by lobbyists appeared in one connection or another, but a restatement of the methods needs to be made.

The methods of securing or attempting to secure favorable action from legislators are many. There is no attempt here to be all inclusive but rather to take note of the important methods.

THE SOCIAL LOBBY

The social lobby has its place in the list of important methods. Its effectiveness has at different times been brought to our attention. In 1925 Senator Kenyon asserted that

"the social lobby has been the most powerful steam roller in Washington in recent years. Working with the subtle stuff of social position, family tree, and general prestige, as well as wealth, the social lobby functions through dinner invitations, exclusive luncheons, and social recognition generally." The social lobby singles out the new member. Senator Kenyon attested that the new member and his wife are invited to a small dinner by an exclusive hostess. "Over candles flickering on flowers and silver, over rare linens and rich viands, it is suggested which is the best way to vote. No one ever makes a frank demand—it is merely understood. If he refuses he finds himself an outcast—if he votes right he belongs to the amiable inner circle."³ According to Charles S. Barrett the social lobby "which has a very real and very tangible existence is able to punish with great severity the Senator or Congressman who departs from well established usage."⁴

¹ *Editorial Research Reports*, p. 233.

² Professor Munro thinks that city halls have their lobbies. "Every day," he said, "you will find the propagandists of this or that or the other cause waiting their turn in the mayor's anteroom. You will find them outside the door of the council chamber, or even on the inside. Their function is to promote the interests of those whom they serve—be it the public service corporation, or the labor unions, or the large taxpayers, or the city employees, or some other civic organization." (Munro, *Government of American Cities*, p. 228.)

³ *Current Opinion*, February 1925, p. 248.

⁴ C. S. Barrett, *Uncle Reuben in Washington*, p. 35.

A new member of the lower house in 1926, who was one of the committee considering a power bill, had Oliver P. Newman, former President of the Board of Commissioners for Washington, write out for him his confession about a social lobby in which he was involved.¹ The new member met a bright young newspaper man, called Jenkins in the confession, at the Shoreham. Another correspondent from his own state had invited him to lunch with Jenkins, at Jenkins' request he discovered later. The Congressman had lunch with Jenkins and his wife next day. That luncheon was the beginning of many parties—the Jenkins drew him into the circle of their friends—he had them to dinner at the Willard, they took him to tea at the Purple Iris—dinner trips to roadhouses, and Jenkins and his wife took the Congressman on week-end jaunts to Atlantic City, paying all expenses. They induced him to remodel his apartment and helped him to do it, gave him about half the things with which to do it. He hated to offend them, he said, by declining their gifts. Then Jenkins dropped into the Congressman's office one day and said, "I dropped in to see you about the power bill. I suppose you are against it." The Congressman told him he was for it. Jenkins tried in every way possible to get him to say he would vote against the bill. When the Congressman refused, their social relations ended abruptly—he never saw the Jenkins again except for accidental meetings.

It is related that a well known United States Senator periodically introduced a bill to sell a certain piece of government property in Washington. The Senator made no effort whatever to pass the bill but amused himself by

watching the social results that always followed its appearance. The sale of this particular piece of ground would have lowered the value of some neighboring property belonging to a Washington family of great social prestige and every time the bill was introduced this family gave dinners and entertained a number of influential senators for the purpose of preventing the passage of the undesirable bill.²

A newspaper reporter once walked into a United States Senator's office and found the Senator studying the society page of a Washington newspaper, attempting to find out the relationship between legislation and the social lobby. Joseph Tumulty as Secretary to President Wilson, it is reported, studied society pages with the belief that a social paragraph often gave him his first inkling of what this or that person was up to.³

An Ohio state Senator, in speaking of his work in the state Senate, told of dining and playing cards with the lobbyists. Some men, he said, were kept in line by being permitted to win substantial sums at poker.⁴ In the course of the recent Federal Trade Commission investigation of public utilities, a letter was produced in which the Secretary of the Great Lakes Division of the National Electric Light Association had stated that "the legislature (Illinois) is in session and it looks like a very stormy session and I could use very handily a little J. Walker to very good advantage, and it occurs to me that you could do me a very great favor if the first time you are coming west you could call on a friend of mine in New York and bring me a half a dozen."⁵ In another letter he stated that "if he was going to furnish

² *Literary Digest*, July 16, 1927, p. 46.

³ *Ibid.*

⁴ F. C. Howe, *Confessions of a Reformer*, p. 172.

⁵ *Utilities Corporations*, Vol. 1, p. 107.

¹ "Up Against the Social Lobby," *Literary Digest*, Feb. 20, 1926, p. 54, copyrighted by *Current News Features, Inc.*

copies of the bills introduced he would have to have something to sweeten up the palates of the legislators."¹

An interesting account of social lobbying was revealed during the Insurance Investigation in New York in 1900. Evidence was given that the Albany representative of the Mutual and Equitable Life Insurance Companies maintained a house in Albany which was called "The House of Mirth." In this house, a palatial abode, legislators were entertained with poker games and other pleasant pastimes.²

Social lobbying is closely related to that form of lobbying wherein legislators maintain relations with lobbyists to enhance their reputation. Senator La Follette, in 1921, stated that "the high salaried agents of the packers, coal associations, etc., cultivate the acquaintance of the individual member of Congress. They shower him with compliments; they give him flattering publicity in their trade journals. Through lobbyists, legislators oftentimes become acquainted with influential personages with whom they otherwise would not make acquaintance, they are able to secure knowledge about the capital which places them in better standing, and they can have at their disposal ex-

cellent information in connection with which they become more able debaters and command more of a position of authority."³

FURNISHING INFORMATION TO LEGISLATORS

Furnishing information to legislators stands well up on the list as a method of lobbying. One reason why it is such an important method is because of its continuous use. Perhaps the explanation of the frequent use of the method lies in the fact that it is through the furnishing of information that lobbyists are of chief use to legislators. It is a service which legislators need if they are to be able to judge the sentiment of their constituents, the opinions of interests affected by legislation upon which they take action, or the merits of legislation. No member of a legislative body can expect to be well informed through his own study or experience on more than a fraction of the bills upon which he acts during a legislative session. Most certainly he cannot gain the essential information from the limited debate on the floor. How then are legislators to acquire the necessary knowledge upon which to base their actions? It is in order here to stop and examine the problem of securing information by the legislators.

THE PROBLEM OF SECURING RELIABLE INFORMATION

If a legislator does not possess other information the general practice is to accept the recommendations of the Committee to which the bill was referred. For the largest share of the bills which are adopted, that plan is followed, that is, if the legislator wishes to act upon the merits of the legislation and is not guided by other factors such as party policy, control of a politi-

¹ *Utilities Corporations*, Part 1, p. 108.

² *Report of Legislative Life Insurance Investigating Committee*, 1906, p. 9.

If an account is wanted of the social lobby in earlier days, such can be found describing Pendleton's "Hall of the Bleeding Heart" on Pennsylvania Avenue immediately preceding the Civil War (Perley Poore, *Reminiscences*, Vol. II, p. 44), and the activities of the "King of the Lobby," Sam Ward, following the Civil War. Of the latter "Uncle Joe" Cannon, upon his retirement in 1923, after 46 years in the House, said in an interview published in the *New York Times*: "He gave dinners and entertainments, always had plenty of good food and drinks. . . . I could go to Sam Ward's dinners and was never asked to do anything."

³ *New York Times*, April 17, 1921.

cal boss, pressure from constituents, or financial or social influences.

The legislator may find that from his knowledge of a particular bill he favors action opposite to what his constituents want. He may feel that what his constituents want is not for the public interest. No doubt many seemingly unwise decisions of legislators as regards the public interest could be traced to the pressure from constituents in the local area. It should be seen here that regardless of the amount of information a legislator may have on a matter of legislation, if he is going to represent his constituents he may be required to act contrary to his best judgment. If he does otherwise the charge of misrepresentation is brought against him and his political career may be cut short at the next election.

But it is known that Committee recommendations furnish the basis for action on the floor for most of the bills which are acted upon. If a legislator wants to secure other information on which to base his decision what alternatives are at hand?

If the matter be an important one, a special investigating committee may be chosen by the legislature to make investigations and report to the body. Or the legislature may request administrative officials to give information on the matter. Or again the legislators may undertake research upon their own account to secure information. If they choose the latter method in a great many states, and at Washington, they find legislative reference bureaus at hand to aid them, a few of them furnishing excellent service.

THE LEGISLATIVE REFERENCE BUREAU AS A SOURCE OF INFORMATION

Congressmen have the Legislative Reference Bureau in the Congressional

Library at their service. The Legislative Reference Bureau needs some attention when considering sources of information available to Congressmen because it is playing an important rôle in that respect. It is performing more and more services yearly. During 1915, the first year of its existence, when there was a short session of Congress, it had 269 inquiries from Congressmen. The next year in which there was a long session it handled 756 requests. In 1926, during which year there was a short session of Congress, there were 1,036 requests. During the fiscal year 1926-27, which covered the short session of the sixty-ninth Congress, the Bureau was active in furnishing information especially on agriculture and farm relief, Colorado River, control of membership in Senate, election and primary laws, flood control, presidential nomination and term of office including third term question, origin and history of the two-thirds rule in democratic national convention, prohibition, and taxation.¹

Congressmen realize that the Bureau fulfills a distinct need. Several Senators and Representatives when asked what reliable sources of impartial information were available headed the list with the Legislative Reference Bureau. In fact according to their statements it stands quite alone as a source of impartial information. The fact that the appropriation for the Bureau is increasing year after year also shows that the Congressmen are appreciating its help. For 1927 the appropriation was \$61,530, for 1928 \$63,650, for 1929 it was \$65,210.

However, there are limitations on the help which an individual Congressman may receive from the Bureau. Some of the studies made by the Bureau are the result of extensive research

¹ *Report of Librarian, Library of Congress, 1927, p. 181.*

over a long period of time. The elaborate study of flood control, for instance, covered a period of a year and a half. The research assistant in charge worked with the engineers in departments in Washington and studied flood control by visiting the region concerned. Individual members of Congress cannot freely ask for information which involves such extensive research. Before such studies will be undertaken the subjects must be considered of sufficient public importance by the director of the Bureau, and most usually the Congressman requesting the information has to be a chairman of the Committee having charge of the matter. The director of the Bureau, if he foresees the development of an important matter, may undertake studies and make them available to the leaders of legislation regarding that particular subject.

The Bureau at times plays a very important part in supplying reliable information to committees considering important bills. When flood control legislation was being considered in committee the research assistant who made the flood control study sat in the committee room during the hearings and supplied information.¹

GOVERNMENT DEPARTMENTS FURNISH INFORMATION

The legislators in seeking information may turn to the government departments for help and often do. The government departments are continuously called upon to supply information. Some legislators feel that information from the departments is not always impartial, that it may have a partisan bias, and needs close scrutiny.

If the individual legislator starts out on his own account to acquire

¹ The Bureau maintains a clipping service which is available to all members.

necessary information he finds it a prodigious undertaking. The necessary information for many of the bills requires months of research at very considerable expense. One of the Senators who made an extraordinary attempt to gather the information necessary for legislation before a committee of which he was a member, spent more than \$3,000 of his own funds in the attempt. Much of the information had to be gathered by travelling to various parts of the country and observing and studying conditions.

It is not too much to say that the outstanding men in the legislative bodies are the ones who make a real attempt to secure reliable information. They find it a gigantic undertaking but they collect it through their own observation, by securing the advice of those they respect, by following the studies of authorities.

Because the work of collecting information is such a laborious task the services of lobbyists is accepted. In spite of the valuable services performed by the other agencies which have been discussed it can fairly be said that the lobby is the chief source of information to legislators.

Lobbyists are more than glad to supply the legislators' needs. Information comes to his desk freely. Legislators often request information from lobbyists when they wish to defend or oppose a bill. Information is supplied by lobbyists which has been collected at great expense. Legislators cannot be expected to compete with the information gathering services of some of the lobbyists. Great amounts of facts can be gathered from information supplied by lobbyists, but the difficult question is to know which are facts and which are not, and to know when facts have been used correctly. Anyone familiar with research work knows how easy it is even

with facts to give a biased presentation. It is a foregone conclusion that lobbyists start with their objective and build their information around it.

The chief supply of information to legislators is, then, biased information. Legislators may follow the easy course and use the information as presented or try to dig out of it the facts necessary for their purposes. If legislators keep in mind the fact that lobbyist information is biased they can use it and sift out a lot of valuable facts without losing their impartial viewpoint. Often legislators are earnestly pushing what the lobbyists want and in such cases the information they use is the lobbyist's information just as they get it.

METHODS OF FURNISHING INFORMATION BY LOBBYISTS

Information is furnished in various ways. It is furnished to individual legislators through their mail or by personal interviews between the lobbyists and legislators.¹ It is furnished to the press so that it will come to the attention of legislators. And it is systematically presented before committees.

It is not necessary here to restate the specific instances of furnishing information mentioned in the previous chapters. The work of the legislative departments of the Chamber of Commerce of the United States and the American Farm Bureau Federation will illustrate the magnitude of such service.²

¹ One day when the writer dropped in for an interview with a legislative agent of one of the large organizations in Washington the conversation after a time had to be terminated because the agent was going "over on the hill" for a conference with one of the Congressmen. Another day upon dropping in for an interview with a Congressman he was preceded by the counsel for a national organization.

² *Supra*, pp. 39, 41.

INFORMATION AVAILABLE TO COMMITTEES

All this has had to do with the sources of information available to individual legislators. Since it is the general rule of legislators to accept committee recommendations on bills it becomes most important to know how the committees have arrived at their recommendations. And another fact should be remembered: that committees are divided into sub-committees and legislation is referred to those sub-committees, whose recommendations in turn are usually accepted by the whole committee.³

A committee hearing on an important bill may well be compared to a court trial with lobbyists as counsels on each side and the members of the committee as the jury, with this difference, of course, that the legislators besides weighing the evidence have the public interest to keep in mind. It is not unusual then for the legislators to acquire a vast amount of new information on the subject under consideration, new angles of looking at the subject are presented, information is given which has been the outcome of elaborate study and research and out of this mass of information the legislator must reach an opinion. This has to do of course only where the legislator freely arrives at an opinion according to his best decision.

Members of committees, although they are expected to gather more in-

³ Mr. Dinwiddie of the Anti-Saloon League reported that when the bill regulating interstate shipment of liquor was found "sleeping in the Judiciary Committee" at the request of the Anti-Saloon League lobbyists, Mr. Littlefield of Maine had it referred to the sub-committee of which he was Chairman and secured its unanimous recommendation to the full committee by whom it was favorably considered and was reported to the House. (*Congressional Record*, 57th Cong., 2nd Sess., pp. 1327-59 ff. Cited by P. H. Odegard, *Pressure Politics*, p. 133.)

formation about legislation entrusted to them than are members outside the committee, find themselves in very much the same position as any other member of the body in securing reliable impartial information. As was stated above the chairmen of committees in Congress secure greater consideration from the Legislative Reference Bureau. Similar preferences are given by state legislative reference bureaus to committee chairmen in the state legislatures. Also the committees may use some limited public funds to gather information. But if any extensive gathering of information is undertaken the committee members have to use their own funds.

Committee members, as with the members at large in the body, find the lobbyists the chief source of their information. Information may be presented at committee hearings, by briefs sent to the committees, or by mail to or interviews with the individual members of the committees. The supplying of information to the Ways and Means Committee when the Federal Estate Tax was being considered or the work of the Public Utilities before the Interstate Commerce Committee of the Senate when the Walsh resolution came up, serve to indicate the nature and extent of lobbyists' activities in that respect on important legislation.

THE WORK OF LOBBYISTS BEFORE COMMITTEES

In studying the methods of lobbyists too much attention cannot be given to their work with committees. The importance of committee action on legislation has been well pointed out by students of government and needs no elaboration here.¹ It has come to

¹ Woodrow Wilson, *Congressional Government*, p. 189. P. D. Hasbrouck, *Party Government in the House of Representatives*, p. 74.

be the exceptional case that committee reports are rejected upon reaching the floor of the House to which reported. And there is no wonder at the general practice of accepting committee reports when one remembers that the party which has a majority in the chamber besides having the chairmanships of the committees has a like majority on each committee. For the important bills the chairmen of the committees, as well as other members, have received the attitude of the Steering Committee or the Committee on Rules before the bill comes to a report. And on the other hand the Committee is just as effective in killing a bill by leaving it in committee.

For the reason, then, that committee reports so often determine the fate of legislation, lobbyists concentrate their activities upon those bodies. They do not stop with furnishing information to the committees. They at times direct a veritable barrage against the committees in the form of representatives of this and that interest who are told the proper times to appear and appearances are arranged for, and constituents or the public at large are urged to pour in letters, telegrams, protestations and appeals of all sorts upon the members of the committee. An illustration was afforded during the recent consideration of the naval building program. The House Naval Affairs Committee was deluged with letters and telegrams resulting from a campaign instituted by the National Council for Prevention of War.² As was shown in the last chapter³ the Anti-Saloon League considered the com-

² Whether or not the letter and telegram campaign was responsible, within a few days the committee announced that the program would be cut to one-third of the administration proposal.

³ See pp. 20, 22.

mittees one of the most important points at which it focused its attention.

LOBBYISTS INFLUENCE COMMITTEE APPOINTMENTS

The lobbyists may go even farther and exert influence in securing favorable appointments to committees.¹ The change of rules in the House in 1910 made that method of securing desirable action more difficult but not impossible. To influence committee appointments now the lobbyist has to work through the party leaders in the Committee on Committees which distributes the committee posts and the control of that committee may well be in the hands of a very small group of men—even dominated by one man, and if such be the case the situation as far as the lobbyist is concerned is much like that which existed prior to 1910. In fact the situation is even more to his liking because the responsibility for the committee appointments is more obscure.

Influence exerted in this way comes from men connected with strong groups who have rendered service to the party in one way or another, chiefly through furnishing campaign funds. Legislators do not have to be procured for the committees who are favorable to this or that interest. All that is needed is to place members in the important committee positions who will be willing to recognize past services performed when a bill in which the lobbyist is interested comes before the committee. This method by which campaign funds and campaign services can be translated into influence on legislation should not be lost sight of.

The scrutiny of committee appointments is so keen by conflicting groups that the freedom to pack committees in Congress is diminished. But in state legislative bodies the practice goes

on apace. Committee appointments are often determined by lobbyists representing strong groups. Political bosses continuously are instrumental in packing committees to do their bidding. In Pennsylvania the Elections Committees in the legislature have been packed for many sessions to prevent the passage of legislation to improve election conditions in Philadelphia and Pittsburgh.² In the session of the legislature now convened at Harrisburg the members of committees owe their appointment to a conference made up of the Chairman of the Republican State Committee, a former State Chairman, the Chairman of the State Committee of the Senate, the Chairman of the State Committee of the House, and the President of the Manufacturers' Association of Pennsylvania. The last mentioned member of the group has for some years been one of the chief financial supporters of the wing of the Republican party in Pennsylvania represented by the State Committee.³ No better illustration could be afforded of the relation between campaign funds and committee appointments than to see the donor of the funds and the secretary of the party committee meet in conference where their voice is the chief factor in determining committee assignments.⁴

THE LOBBYISTS AND THE CONFERENCE COMMITTEE

And then the Conference Committee is a special point of attack for the

² See author's study on *The Supervision of the Conduct of Elections and Returns*, p. 29.

³ See Reed Committee Investigation of the 1926 Senatorial Primary Election in Pennsylvania.

⁴ *The Philadelphia Public Ledger* reported that legislators concede the success of the President of the Pennsylvania Manufacturers Association in gaining control of many of the most important committees in the House and Senate. January 15, 1929.

¹ See p. 10.

lobbyists. Wayne Wheeler, in laying down his legislative methods, warned that the day of the third reading of the bill was the day of crisis. Close watch then had to be kept to prevent amendments because an amended bill meant a Conference Committee and Conference Committees, he said, are dangerous.

Senator Simmons in pointing out that the Conference Committee is the especial aim of the lobbyists gave as reasons that it is a smaller body and that they know that when a bill relates to many items, such as a tariff bill, whatever the Conference Committee's action is on one item that action must be accepted or their whole action on all items must be rejected because a conference report is not open to amendment.¹ Senator Simmons might have added other advantages of the Conference Committee from the lobbyist viewpoint which no doubt are familiar to experienced lobbyists. Conference reports are drawn up in secret and while in session the Committee is not required to divulge any of their actions and when reported the legislation has first place on the calendar and may displace all other legislation. And furthermore the Conference Committee may hold its report until any time it deems best and that time may be near the end of the session when there is no time for consideration or for sending the bill back if it does not meet with approval.

The special interests, said Senator Simmons, rely upon the Conference Committee to nullify, overrule, and set aside any action regarded by them as prejudicial to their interests and plans. The Conference report on the Fordney-McCumber tariff bill was used to illustrate his statement. The influence of the dyestuffs lobby was strong enough, he said, to dominate

the House Ways and Means Committee and have inserted in the bill a dyestuffs embargo provision. The provision was stricken out when it came to the floor of the House. The lobby, he said, succeeded in having the provision restored by the Finance Committee in the Senate, but it met a like fate to that in the House when it reached the floor of the Senate and it went to Conference with no dyestuffs embargo provision. It came back from the Conference Committee containing a dye embargo provision. The lobby was powerful enough, said Senator Simmons, to have the provision restored in Conference. When the report was brought to the floor of the House, Representative Hamilton Fish, Jr., made the point of order that the bill included new matter not committed to the Conference Committee. A battle ensued over the matter in the House with Longworth leading the fight for the report and Garner joining Fish in opposition. In spite of the fact that Fish's point of order was overruled by Speaker Gillett, Garner's motion to recommit the bill to the Conference Committee with instructions to strike out the dye embargo prevailed and the second report from the Committee without the provision was adopted by the House.²

While Conference Committees are limited by the rules in the amount of new matter which can be added—in the Senate any new matter makes the bill subject to a point of order, in the House new matter must be germane to the bill—lobbyists find there is a great deal of latitude. Any new matter may be added if objection is not made when the report goes back to the floor, and as has already been pointed out Conference Committee reports must be accepted or rejected as a whole and accordingly conferees become skillful

¹ *Congressional Record*, Vol. 62, pp. 12806-8.

² *Ibid.*

in estimating how much new matter or what changes will be adopted by the body rather than turn down the whole report, also in judging when to return the report to escape close scrutiny.

The methods of lobbying which have been discussed thus far are for the most part direct forms of using influence, furnishing information to legislators, appearing before committees, interviewing legislators, exerting social influence, and keeping a continuous watch on the process of legislation. Activities of such a nature center around the national and state capitols.

But lobbyists have not been content to rely upon the direct forms of using influence. The recent developments in lobbying have been toward an ever increasing use of indirect methods. It can fairly be said that the most effective lobbying is being done through the use of the indirect methods.

INDIRECT METHODS OF LOBBYING

The indirect forms of lobbying do not center around capitols. They may properly be called the field work of lobbyists and the activities may roughly be divided into three classes: those activities which prompt constituents to bring influence on legislators, those which help to determine a choice of legislators, and those which tend to mould the opinions of constituents.

While these activities do not center in capitols they are for the most part directed from those vantage points. The activities have for their aim the influencing of legislation or administrative action and plans of campaign are laid out by someone closely in touch with legislatures and administrative authorities.¹

¹ Chas. S. Barrett of the Farmers Educational and Coöperative Union of America stated that "Lobbydom is not confined to Washington.

PROMPTING CONSTITUENTS TO BRING PRESSURE

In stirring up constituents to bring pressure on legislators the lobbyist induces a two-fold appeal to which legislators are susceptible. According to our system of representation legislators represent a definite block of constituents. And although that representation may be ragged at times there is the attitude of mind among legislators that they must represent their constituents.² In the second place, and more important, is the fact that legislators must depend upon their constituents for continuance in office. The cynical would perhaps say that the only reason why legislators profess to represent their constituents is because the constituents hold over them the power of political life or death.

But, however that may be, two vulnerable spots to the lobbyists' way of thinking are there. And accordingly letters and telegrams pour in upon representatives from their districts and from the public at large. The Senators find mail matter and messages from all over their state as well as from other states dumped on their desks. It comes in all forms, much of it clearly revealing that it has been sent at the lobbyists' instigations. Especially do lobbyists prompt appeals from the legislators' own party members. And appeals from a legislator's own constituents are valued much above those from without the district. Some representatives follow the practice of answering letters from

The Capital is its headquarters. . . . Realizing that every field should be under its watchful eye the system has established lobbies wherever farmers might be expected in any influential numbers to congregate. (*Uncle Reuben in Washington*, p. 945.)

² P. D. Hasbrouck, *Party Government in the House of Representatives*, p. 68.

their own constituents and paying no attention to the others. But some find the volume of mail matter so great even from their own districts that they do not have the time and office help to make replies.

The usual estimate by legislators of the importance of such mail campaigns is that they are influenced by letters which seem to express a real opinion of the sender but that form letters, cards and the like are as good as wasted. But the fact that some representatives reply to even the form letters seems to contradict the statement that form letters have no influence. The legislator cannot accurately judge whether the lobbyist who is able to cause constituents to mail letters could not as easily persuade them to cast votes against him and accordingly he does not neglect appeals or protests if they come in in great quantities. It has been said that some Senators in order to avoid undue influence being exerted by propaganda, refuse to read their mail. The technique of lobbyists is being refined more and more, and as the art of stirring up mail campaigns develops it will become increasingly difficult for legislators to distinguish a manufactured sentiment from a real one.

LOBBYISTS CONDUCT CAMPAIGN ACTIVITIES

A still more binding control of legislators is obtained by lobbyists by their work in helping to determine the outcome of primaries and elections. The lobbyists act upon the theory that better control is to be had by nominating and electing friendly legislators than to influence them after they are elected.

This is a field of activity which holds open great opportunities for the lobbyists and enough was given in the preceding chapters¹ to show that the

method is already in extensive use. In legislative bodies all over the country are legislators who act according to the will of those who control their election. If labor or the farmers can boast of their men on the hill at Washington how much more true must such control be of state legislators. To control state legislators the lobbyists may enter the districts in question and help elect desired legislators but the up-to-date method is to secure such control through the political bosses or those who control the destinies of the legislators. The political boss is a broker of legislative favor and dispenses it for reward, the reward most usually being in the form of campaign funds to finance his organization. It is not unusual to find in states containing large cities political bosses who control a bloc of the legislature large enough to turn the scale in legislation when wanted.

Whether or not the direct primary form of making nominations is a more expensive form than the convention system has not been proven but it is known that campaign expenditures are rapidly mounting. It has gotten to the place where in states of large population the candidate with small funds cannot expect to obtain an important office. Huge sums are required for even the legitimate expenditures and the man without funds finds himself at a loss in attempting to compete.² It is such candidates that the lobbyists help with campaign funds and campaign services with all that that includes. To many candidates it is to accept such help or give up all chances of obtaining the office. There can be no doubt of the effectiveness of money in political campaigns notwithstanding the cases on record where candidates with small expenditures

² See Reed, *Investigation of 1926 Senatorial Primary Election in Pennsylvania*, p. 926.

¹ *Supra*, Chapters, II, III.

have been successful. Such cases in densely populated states are the exceptions.

Therefore, the lobbyists find the opportunities open to extract promises from candidates in exchange for campaign support.¹ And when the candidate gets to the legislative body his record is watched to see that the promises are fulfilled.² Otherwise he is marked for defeat at the next election period.

Too much emphasis cannot be given to the campaign support method of securing control over legislators. Professor Munro feels that the man who goes into public office without even an implied obligation "is as rare as a Scotchman in a symphony orchestra."³ How much more simple is that method of control than to attempt to control the legislator after he is elected. Lobbyists know that their suggestions will be welcomed, or if not welcomed will be accepted, they know they can have their bills introduced, and they know that they have legislators on the job to watch the progress of the bills at every step in the process. If favorable legislators sit in the legislative body lobbyists are relieved of a great amount of work. Their work then consists chiefly in furnishing information to the legislators they have helped to elect, furnishing services in the way of bill drafting, research, and so on, advising the legislator of the legislation wanted, and checking to see that their wishes are carried out.

There is a decided difference in

methods of lobbyists in influencing elections depending upon the membership they have behind them. If the lobbyist can work through a large membership his task in influencing elections is relatively simple. He needs only to notify the members that this or that candidate is favorable or unfavorable and to be on the job to counteract the work of other lobbyists. The more compact the membership the more effective is their control over elections. The American Federation of Labor, because of the size and compactness of its membership perhaps, exceeds all other groups in its power to control elections.⁴

If the lobbyist does not have a large membership behind him then he has to rely upon financial resources to carry influence. There are various methods he may resort to—he may be able to win over political bosses who control the election of legislators, he may rely upon propaganda methods, or furnish campaign funds out of which publicity expenditures are made, election workers are hired, and so on.

There have been times when groups have combined in endorsing candidates or marking them for defeat. Such a method holds open wide opportunities for the lobbyists. If a group with great financial resources can combine with one with a large membership or two groups with large membership unite, they become combinations difficult to resist. Thus far the groups with large membership have seemed to be nearest together in their legislative

¹ William Bennett Munro, *Invisible Government*, p. 104.

² The author has in his possession a chart presented to him by the legislative office of one of the large organizations in Washington, showing the vote of every representative and senator during the 69th Congress on 29 bills in which the organization was interested.

³ William Bennett Munro, *Invisible Government*, p. 104.

⁴ The statement of the American Federation of Labor in 1922 that as the outcome of all its campaign activities 23 candidates for U. S. Senator who had been loyal to labor were elected and 11 unfavorable ones defeated and that of the candidates for representatives 170 were elected either because directly supported by the Federation or by reason of the opposition to their opponents, should be remembered. *Supra*, p. 48.

desires and have combined for political action while the other groups, those having great financial resources, have combined among themselves.

LOBBYISTS PURSUE NON-PARTISAN COURSE

Lobbyists in their political activities are usually non-partisan. Candidates are supported or opposed according to their stand on the questions in which the lobbyist is interested regardless of what party affiliation they have. Such a plan is no doubt wise from the lobbyist's viewpoint. If he cannot secure the pledges he desires from the candidate of one party he can go to the member of the other party and bargain, whereas if he had been adhering to one party the refusal of pledges by the candidate of that party would have left no choice but to run an independent candidate.¹ Moreover, it gives to the lobbyist the advantage of seeking pledges from the candidate of the party which has the best chance to win in a particular district. There is nothing to be gained by supporting a candidate of the minority party in a one party district.

MOULDING PUBLIC OPINION

The third indirect method, moulding the opinions of people, is the latest word in lobbying activities. Lobbyists are just beginning to wake up to the control which can be obtained through the method. The method

ties up closely with the two indirect methods discussed above. Lobbyists seek to mould the opinion of constituents of legislators so that they will elect favorable legislators, so that after they are elected the constituents will make the right kind of appeals when bills come to the fore, and so that the legislators will be confronted back home with an opinion favorable to the lobbyist's program, and if the legislator represents his constituents, he will at the same time be endorsing what the lobbyists want. And with such an opinion prevailing among the people in legislative districts the lobbyist can feel so much more certain of the response he will receive when his requests go out from the legislative centers. If the right sort of opinion can be created among the people the lobbyist has by that one stroke taken care of the election and has gone far in controlling legislators in all levels, national, state and local.

It is the activities of lobbyists carrying out this third indirect method which have flooded the country with propaganda. Back of most propaganda, as distinct from advertising, can be found the purpose of ultimately influencing legislation or administrative action. The purposes may seem rather remote from the methods used but at times when legislation affecting the particular interest comes to the fore the connection can be seen. In the public utility field the purposes of the establishment of the state information bureaus and their activities could be more clearly seen when the Walsh resolution and the Muscle Shoals and Boulder Dam bills came before Congress.

The methods used by the public utilities to mould opinion is the best illustration of that form of indirect lobbying on record. Practically every channel of public information was

¹ In the U. S. Senatorial primary in Iowa in 1922, the American Federation of Labor had a difficult problem on its hands in choosing between two candidates, Representatives Sweet and Brookhart, both of whom the Federation considered sympathetic to labor. It was understood by the two candidates before the primary election that whichever one received the nomination he would in turn receive the hearty support of the other. (*Report of Proceedings of American Federation of Labor, 1923, p. 51.*)

made use of. Information flowed out through the press, through schools, the pulpit, the lecture platform, the radio, the motion picture, agents, books, and other methods.¹ The plans were in one way or another to reach every man, woman and child.

The public utilities lobbying campaign, while being the most extensive use of this form of the indirect method, is not an isolated case. As was pointed out the dye industry used the method in the years following the war, water power interests were busy at it in 1916, manufacturing groups were making use of the method in 1913, women's organizations, reported one of their leaders, conducted an educational campaign in favor of the Kellogg Treaty which was the most widespread and thoroughgoing of anything they have attempted.²

It must be said that the recent cases in which this method has been used vastly outstrips the instances of ten years or more ago in extensity and variety of methods used. No doubt

much of the recent activity in applying high power salesmanship and propaganda methods by groups owes its origin to ideas derived from a knowledge of the work of the Bureau of Public Information during the war. If any doubt exists as to the effectiveness of propaganda campaigns one need only remember the successful food saving and bond selling campaigns during the war period.³

This third indirect method of lobbying is just in the development stage. The objectives are well formed but the methods of obtaining those objectives are yet in the experimental stage. But once a group starts on a program of using all available channels for moulding opinion other groups cannot stand idly by. Great competition among groups in their propaganda campaigns already exists, but it is safe to predict that the present contests are only shadows of what are to come and that propaganda and more propaganda will flow through the channels of public information.

CHAPTER V

REGULATION OF LOBBYING

A GENERAL opinion prevails, and has prevailed for many years, that lobbying activities should be regulated. It is quite generally believed that much improper influence is brought to bear by lobbyists and that they have an undue share in helping to shape legislation affecting the interests which they represent.

The movement for regulation has

shown itself in state legislatures more than it has in Congress although as will be seen presently there have been many attempts in Congress to curb the lobbyists. The movement for regulation in state legislatures is of long standing.

DEVELOPMENT OF REGULATION AMONG THE STATES

Lobbying was declared to be a crime in the Georgia Constitution of 1877. The Governor of Massachusetts was appealing for a law to regulate lobbyists in 1891 although one had been passed

¹ See the discussion of the public utility investigation, Chapter III.

² The women of the ten national organizations included in the conference on the Cause and Cure of War held more than 10,000 meetings in addition to state and regional conferences, in 39 states within a year. *New York Times*, January 13, 1929.

³ See Harold D. Lasswell, *Propaganda Technique in the World War*.

in the preceding session of the legislature requiring counsels and agents to register. The Governor complained that the act requiring registration made public the names of lobbyists but not their acts and that it made public the expenses incurred in promoting legislation but too late to affect the legislation for which they were made. It was recommended that if the fullest possible notice were given to the public of the status of the matter pending the lobby would be restricted. Also the need of providing an easier method by which lobbying practices and the amount of money spent could be investigated was emphasized.¹

In 1905, Governor La Follette asked the Wisconsin legislature for more stringent regulation of lobbying than had been enacted in his state in 1899. The 1899 law required lobbyists to register but the requirement had not proven satisfactory. The recommendation was made that the law go farther and make it a penal offense for a paid lobbyist to approach a legislator privately or personally upon any matter which was the subject of legislation.² As a result of La Follette's recommendations, legislation was enacted during that session of the legislature which provisions comprise the substance of the law regulating lobbying as it now stands.

The disclosures of lobbying activities at state legislatures in the New York Insurance Investigation caused an outbreak of legislation against lobbyists. During the following year regulative laws were enacted in nine states and during the next three or four years most of the state statutes for regulating lobbying which now exist were passed.

Thirty-two states now have laws

regulating lobbying in one way or another.³ The Massachusetts and Wisconsin laws led the way and furnished the model for many of the other state laws on the subject. A close examination of those two laws should be had.⁴

REGULATION IN MASSACHUSETTS AND WISCONSIN

The two laws are similar in content. Neither law specifically defining lobbying. Both require the registration of legislative counsels and agents. Both make a distinction between legislative counsels and legislative agents. Legislative counsel is defined as a person who for compensation appears at any public hearing before any committee of the legislature in regard to proposed legislation and who does no other acts in regard to the same except such things as are necessarily incident to such appearance before such a committee. A legislative agent, on the other hand, according to the Massachusetts law, is defined to be "any person who for hire or reward does any act to promote or oppose legislation except to appear at a public hearing before a committee of the general court as legislative counsel." The distinction, however, seems to be of little significance because the laws apply to the two groups alike with the exception that legislative agents are excluded from appearing before committees.

³ Those states are: Alabama, Arizona, California, Connecticut, Florida, Georgia, Idaho, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New York, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, West Virginia, Wisconsin. (See Legislative Reference Service, Library of Congress, material compiled by Margaret W. Stewart.)

⁴ *Wisconsin Statutes*, 1923, I, Chap. 346, pp. 2238-40. *Laws of Massachusetts*, 1921, Chap. 3, Section 39.

¹ *Message to Massachusetts Legislature*, Governor William F. Russell, January, 1891.

² *Message to Wisconsin Legislature*, Governor Robert La Follette, May, 1905.

Both laws require that employers of legislative counsels or agents shall register the names of such within a week after the date of employment. Also both laws require the registration of the employers. The information required to be shown upon registration by both laws is practically the same—address of agent or counsel, date of employment, length of time employment is to continue, and special subjects of legislation, if any, to which the employment relates.

The laws of both states require that a written authority to act as counsel or agent signed by the employer must be filed.

The scope of the activities in which lobbyists may participate are defined by the Wisconsin law. All service before that legislature attempting to influence legislation must be by appearance before the regular committees, through newspaper publications, by public addresses, or by written or printed statements, arguments or briefs, delivered to each member of the legislature. Twenty-five copies of each statement, argument, or brief are required to be deposited with the Secretary of State. The aim of the Wisconsin law, it can be seen, is to abolish personal solicitation of legislators. The laws of both states forbid lobbyists to go upon the floor of the legislative bodies except upon invitation.

There are some restrictions on those who would lobby. In the Massachusetts law members of the state or district political committees are forbidden to act as legislative agents. The Wisconsin law requires officers and employers of the state or federal government who attempt to influence legislation to comply with the regulations for legislative counsels and agents. The method of compensating lobbyists is regulated. Employment for a com-

pensation dependent upon the passage or defeat of legislation, or upon any other contingency connected with the acts of the legislature, is forbidden.

Both laws require a statement of expenses to be made by employers of lobbyists after the adjournment of the legislature, in both states within thirty days thereafter. The statement must show all expenses paid or incurred in connection with the promotion of legislation. The statements in each case are filed with the Secretary of State. In Massachusetts the law provides that when such expense is included in an employment by annual salary the amount apportioned for the promotion of legislation must be stated.

Penalties are provided for violation of the provisions. In Massachusetts penalties of \$100 to \$1,000 may be imposed, in Wisconsin from \$50 to \$5,000, and in both states disbarment from acting as lobbyist for three years. Either or both penalties may be given.

REGULATION IN OTHER STATES

The laws in the other states either follow very much the same plan as the laws in Massachusetts and Wisconsin or are less comprehensive. The Georgia law defines lobbying as "any personal solicitation of a member of the general assembly during a session thereof by private interview, or letter, or message, or other means and appliances not addressed solely to the judgment."¹ The defect in the definition obviously turns on the question of determining when a matter is addressed to the judgment of the legislator. The Texas law, which requires that the acts of the lobbyist must appeal to the reason of the legislator, is just as faulty.²

The Ohio law requires that a certificate be issued by the Secretary of

¹ *Laws of Georgia*, 1923, p. 43.

² *Texas Statutes*, 1920, Articles 195-99.

State to the counsels and agents for which a fee of \$3.00 is charged the employer.¹ The Indiana law requires a \$2.00 fee.² This law also requires that any newspaper receiving compensation for promoting or opposing legislation must show at whose instance the material is printed and the compensation received. The Kansas law exempts lobbyists who attempt to influence legislators but who are not employed for that purpose. Several state laws³ exempt from the provisions of the law duly accredited counsels or agents of counties, cities, towns, villages, public boards and public institutions.

A great variety of penalties exist in the state laws. Some states make lobbying a felony while in others it is a misdemeanor. Some provide fines, some imprisonment, some disbarment from service and some combinations of those three penalties.⁴

METHODS OF REGULATION AMONG THE STATES

The methods of the states in their attempts to regulate lobbying can then be seen. The purposes have been to disclose the identity of the lobbyists and their employers, to reveal the legislative measures which the lobbyists and employers are promoting or opposing, to restrict the activities of lobbyists, to prohibit some from acting as lobbyists, to cut down the incentive to illegitimate activities by prohibiting contingent compensation, to reveal the amount of

money which has been used to influence legislation, and to inflict penalties upon violators.

It is to be noted that the chief remedy is publicity—publicity of the names of lobbyists and employers, publicity of legislation in which lobbyists are interested, and publicity of money used in influencing legislation.

Before examining the results secured by state laws it is advisable to see what attempts have been made in Congress to regulate lobbying, because the questions which arise in securing an effective regulative law are much the same for Congress as for state legislatures.

ATTEMPTS IN CONGRESS TO REGULATE THE LOBBY

There was some feeling that lobbying in Congress should be regulated by law as early as 1907. Three bills were introduced in the fifty-ninth Congress to curb the lobbyists, one of which would have prevented "the unlawful employment of Senators and Representatives,"⁵ another of which would have prohibited lobbying in behalf of railroads engaged in interstate commerce.⁶ From that time to the present there have been numerous bills introduced aiming to regulate lobbying activities, some of the bills asking for an investigation of lobbying activities.

Nothing was accomplished in the way of interfering with lobbying activities until the investigations which were made by a committee of each House in 1913. The disclosures which were made no doubt somewhat retarded lobbying activities and also succeeded in bringing lobbying activities more into the open by discrediting secret practices which they found had been going on. Furthermore, the investigations greatly stimulated the movement to regulate lobbying. During the

¹ *Laws of Ohio*, 1913, p. 6, sec. 8.

² *Indiana, Burns Annotated Statutes*, 1918, Supp. Sec. 7588.

³ Maryland, Massachusetts, Missouri, Nebraska, New York, Rhode Island, South Dakota.

⁴ This study has not taken into consideration rules of state legislatures dealing with lobbying. For a good discussion of state legislation on lobbying see the study of Theo. H. Thiesing, Legislative Reference Bureau, Library of Congress.

⁵ H. R. 25369, 59th Congress.

⁶ H. R. 25767, 59th Congress.

sixty-third Congress there were at least a dozen bills introduced aiming to regulate such activities and since that time there have been a varying number of bills and resolutions up to nine¹ introduced in each Congress. Since 1907 there have been at least three dozen bills introduced to regulate lobbying. Thus far none have been enacted into law. The usual fate of the bills was to be left in committees.

There are various reasons why lobby legislation was not enacted even after a great number of bills on the subject had been introduced. Perhaps the chief reason is that Congressmen have little faith in a law being able to secure any significant results in regulating the activities of lobbyists. Some feel that a law cannot be devised which will do what is desired, that is, to allow legitimate lobbying to continue and prevent the improper practices. Furthermore, while there are many lobbyists who do not object to a regulative law there has been no lobbying for one, while there has been some opposition. Also there must be some feeling among Congressmen that if they help to put through a lobby law it might affect them at some future time when they have ceased to be in Congress.

In the present Congress has been seen unusual activity to regulate lobbying. There have been several bills and resolutions introduced and one of the bills, introduced by Senator Caraway, passed the Senate during the first session.²

BILLS FOR REGULATION IN THE SEVENTIETH CONGRESS

The proposed methods for regulating lobbying in the bills introduced in the Seventieth Congress are similar to the methods proposed in bills introduced in

former Congresses, and so an examination of the bills presented during that Congress will show the manner in which Congress is attempting to regulate the practice.

The Caraway bill, which was passed by the Senate, defines a lobbyist and lobbying. A lobbyist is defined as "one who shall engage for pay to attempt to influence legislation, or to prevent legislation, by the National Congress." Lobbying, according to the act, "consists of any effort to influence the action of Congress upon any matter coming before it, whether it be by distributing literature, appearing before committees of Congress, or interviewing or seeking to interview individual members of either the House of Representatives or the Senate."

Aside from the definition the methods of regulation provided in the bill are much the same as those in the laws of Wisconsin and Massachusetts, already discussed. Lobbyists are required to register with the clerk of the House and Secretary of the Senate. They are required to give the names and addresses of their employers and disclose the interests which they or their employers have in proposed legislation.

The lobbyists furthermore must show how much they are to receive, by whom paid, and how much they are allowed for expenses, and at the end of each month they must file a report showing the amount of money expended in carrying on their work as lobbyists. The reports must show to whom the money was paid, and for what purposes. A further requirement is that the report must show names of any persons entertained, date of such entertainment, and expenses incurred. As in the state laws lobbyists are required to file written authorization of employment by their employers. All of the information required to be given

¹ 70th Congress.

² Senate No. 1095, passed the Senate March 2, 1928.

would be published in the *Congressional Record*. A penalty of \$100 to \$1,000 is provided, or imprisonment for one month to a year, or both fine and imprisonment.

The method of regulation, it can be seen, is publicity—revealing the identity of lobbyists and their employers, their interests in legislation, and the amounts of money used to influence legislation.¹

A resolution introduced by Senator Walsh of Massachusetts would amend the standing rules of the Senate to regulate the lobbyists. The method of regulation is the same as that in the Caraway bill—to reveal the identity of lobbyists and employers, and expenditures made in connection with legislation. According to the Walsh resolution chairmen of committees would be required to compel all persons appearing before committees to state whether they were employed for the purpose and if so by whom employed.²

A bill introduced in the House by Representative Browne is patterned very closely after the Massachusetts law with no methods of regulation which are not found in either the Massachusetts or Wisconsin laws.³ Another bill, introduced by Representative Griffin, relies upon publicity as the method of regulation⁴ as does a bill introduced by Representative Schafer.⁵ In the Schafer bill contingent fees are forbidden and the methods which lobbyists may use in influencing legislation, as given in the Wisconsin law, are prescribed.

A joint resolution introduced in the House by Representative Howard, strikes at the practice of ex-Congressmen accepting service as lobbyists.⁶

By the resolution ex-Congressmen are forbidden to engage in lobbying activities for compensation within two years after their service in Congress has ended. In this resolution is found a restriction on ex-members which was not found in the state laws.

The methods then by which Congress would regulate lobbying are those now on the statute books of many of the states. Publicity of lobbyists, employers, interests in legislation, and expenditures is the outstanding method running through all the laws and proposed laws.

RESULTS SECURED BY STATES

Something of the success which Congress would obtain can be foreseen by examining the results secured in the states. The results secured in Ohio, New York, and Wisconsin, were reported upon by a competent observer.⁷

In Ohio lobbyists have been lax in observing the law. In 1921 one hundred and sixteen lobbyists registered; in 1925 one hundred and ten. In 1925 it is reported that most of the registrations were made after the Senate in a joint resolution asked the Secretary of State to inform the legislature of the number of registered lobbyists. The provision in the Ohio law requiring a statement of expenditures was reported to be of no value. An examination of expense accounts showed in every case the lobbyists had reported "received nothing and spent nothing."

In New York, according to the report, the law has not given satisfactory results. It was found that "some of the most flagrant cases of sinister lobbying" exist and that "lobbyists do practically as they please." A member of the Assembly in 1927 complained that "it's a shame the way lobbyists

¹ S. 1095, 70th Congress.

² S. Res. 145, 70th Congress, 1st session.

³ H. R. 7202, 70th Congress, 1st session.

⁴ H. R. 423, 70th Congress, 1st session.

⁵ H. R. 6098, 70th Congress, 1st session.

⁶ H. J. Res. 227, 70th Congress, 1st session.

⁷ James K. Pollock, Jr., *American Political Science Review*, May, 1927.

are permitted to run wild on the floor of the Assembly. I well remember last year when this House was voting on a very important bill that a certain lobbyist stood behind the clerk's desk and checked the vote in order to make sure that the bill was passed."¹ In 1928 one hundred and twenty-one lobbyists registered, the names of forty-four of which are given in a previous chapter.²

A considerable stir was created in Kentucky when last fall an attempt was made to enforce the law regulating lobbyists. Eight lobbyists who had violated the provision forbidding lobbyists to appear on the floor of the House without invitation were fined \$250 and costs.³

On the other hand good results are reported in Wisconsin. It was reported that there have been no prosecutions under the law and that it has been complied with very generally. The law was found to be securing good results. The fact that Wisconsin has one of the best laws no doubt accounts to some extent for the good results but most important in securing results is the generally high plane of the state government. The New York and Ohio laws

differ very little from the Wisconsin law. If the state government makes a practice of strictly enforcing the laws then good results can be expected of a law regulating lobbying—that is as far as the law goes. As will be shown presently there are limitations to the results which are secured in diminishing undue influence on legislators even with the best existing laws.

Laws regulating lobbying are very similar to laws designed to regulate campaign funds and practices as far as securing enforcement of the law is concerned. It has been found that the general failure of Corrupt Practices Acts lies on the enforcement side. Corrupt practices laws go into great detail in defining what the nature of reports shall be but provide no requirement or method by which such reports shall be examined. Practically the only examination which is made of reports is done by newspaper reporters. Accordingly returns are made but invariably the amounts fall within the law and there is no examination of the accounts or investigation to determine their accuracy. In at least one state, Oregon, where there is adequate enforcement provision, the corrupt practices act is reported to give good results. In that state officers with whom accounts are filed are required to inspect the accounts. If a violation of the law appears the matter is reported to the District Attorney.⁴

PROBABLE SUCCESS OF A FEDERAL LAW

If adequate enforcement provisions are not attached to laws regulating lobbying then such laws will fare as do the corrupt practices acts. And the lack of success of state lobby laws generally can be attributed to that weakness. If Congress follows the example of

¹ Statement of Mr. Cuvillier, *New York Times*, Jan. 26, 1927.

² *Supra*, p. 51.

In Massachusetts 77 lobbyists registered in 1928.

³ *New York Times*, September 5, 1928.

According to the *Times* the lobbyists who were arrested represented the Kentucky Utilities Corp., Latonia Jockey Club, Kentucky Farm Products, Kentucky Chiropractors Ass'n, Brotherhood of Locomotive Engineers, Northeast Kentucky Coal Ass'n, Canova Coal Corp., and the Kentucky Bankers' Ass'n. Cases were brought against lobbyists for the Brotherhood of Railway Trainmen, Barbers License Law, Illinois Cent. Railway, Master Plumbers, New York Ass'n of Life Insurance Presidents, Nat'l Board of Fire Underwriters, State Federation of Labor, Kentucky Federation of Labor, Fish and Game Preservation Ass'n. The cases, however, were dismissed for lack of evidence. (*New York Times*, Sept. 4, 1928.)

⁴ J. K. Pollock, in *Party Campaign Funds*, pp. 252-3.

the states it can expect similar results.

The bills to regulate lobbying which have been introduced in Congress contain no enforcement provisions. No system is provided by which the reports of lobbyists would be examined and investigated to determine their accuracy. Without such a provision the success of the lobby law would compare favorably with the Federal Corrupt Practices Act. Reports under the latter act come in to the Secretary of the Senate and Clerk of the House, but there is no examination to verify them. There would be this advantage, however, in favor of the lobby law, that the part of the report revealing the identity of the lobbyist and his employer would in all probability be accurate and that information would be of value to Congressmen. Also there would be much greater probability of an investigating committee of Congress looking into the reports than is the case at state capitols, and accordingly that probability would be reflected in securing better compliance with the law. But the chief value which Congressmen could expect from any of the laws to regulate lobbying now before Congress would be that lobbying would be brought more into the open and that lobbyists, fearing unfavorable publicity, would guard their actions.

DIFFICULTIES IN DIVISING A REGULATIVE LAW

Several questions arise as to what results can be expected from laws to regulate lobbying. No one has gone so far as to say there should be no lobbying. It is generally conceded that there is some lobbying activity which is desired and which is useful, and it has been held to be legal.¹ Some lobbyists

perform a distinct service to legislators and play an important rôle in furthering the operation of public opinion in a representative government.

The question then arises at the outset as to what practices shall be allowed and which forbidden. If registration is relied upon merely then, according to the law, all practices are legal after the lobbyist has registered. Each legislator in his own mind must then decide what weight he is going to give to the presentations made to him by lobbyists, and decide whether the practices are proper or improper. The fact that lobbyists are required to reveal their identity, that of their employers, their interests in legislation, and expenditures made in promoting legislation does not in any way help to solve the question of what is proper and what improper lobbying. There would be about as many different ideas on the question as there are legislators.

In the second place how much of the activity of lobbyists is a law able to reach? As was shown in previous chapters the most important lobbying activities do not take place at the national and state capitols. Most of the activities are directed from those centers but the real activity in influencing legislation goes on all over the country. How would a law reach the work of influencing elections or spreading of propaganda by agencies far removed from legislative halls? How would a legislator know whether his mail matter had come at the prompting of lob-

or private act of the legislature have an undoubted right to urge their claims and arguments either in person or by counsel professing to act for them before legislative committees as well as before courts of justice . . . it is due to those before whom they plead or solicit that they should honestly appear in their true characters . . . a hired advocate or agent assuming to act in a different character is practicing fraud and deception on the legislature." (*Marshall v. B. and O. Railway Co.*, 16 Howard, 314.)

¹ In the case of *Marshall v. B. and O. Railway Co.*, it was stated that "all persons whose interests may in any way be affected by any public

byists? Or how would a law prevent the using of influence to secure favorable committee appointments? Lobbyists at the capitols with or without registering could prompt such activities.

None of the laws yet presented would begin to control the most important methods of influencing legislation. Legislators would still find that they had groups to fight at election time, their mail would continue to be swamped by propaganda, and the development of the method of moulding opinion by means of propaganda would go on apace.

Even with the lobbyists who do their work with individual legislators, committees, or government departments, registration would not diminish their activities. A great many of the lobbyists are now as well known to legislators as if they were registered.

Lobbying today, for the most part, is not done in secret. It can be said that perhaps the most effective lobbying is being done by organizations whose methods are most open to public observance.¹ Many interests welcome the regulation of lobbying because a great deal of lobbying is done by groups in self defense. Lobbyists are maintained in order to fight strike bills and lobbying activities are undertaken in order to prevent the activities of other groups from influencing legislation unduly toward their own ends. Legislatures are the battlegrounds for many group conflicts. Lobbies breed lobbies and the interest which refuses to lobby may wake up to find it has greatly suffered from the activities of other lobbyists.

Then another most important ques-

tion arises. An interest which has large resources back of it can make a better presentation of its case than can one with smaller resources. It may possess large financial resources with which to make an elaborate study, the results of which are presented to legislators or high salaried counsel may be employed to present its case. Or it may be that the interest's resources lie in membership. It is a common saying that the public is not organized for action. At least it can be said that where the legislation is up on an economic question the interests whose financial resources will be benefited will, because of their financial resources, present the strongest case for their viewpoint. Such situations are continuously arising in connection with tariff legislation or that to regulate industry. The question then is whether a law would in any way be able to equalize the presentation of arguments and opinion by the advocates on each side of the proposed legislation. None of the laws now in operation in the states or any of those proposed in Congress would have any effect worth mentioning in helping to solve the question. Some of the inequality might be shown in the account of expenses incurred, but it is safe to predict that accounts would not begin to show the entire cost of presentations. At the national capitol, where the probability of a committee investigation is greater than at state capitols, the lobbyist might be restrained somewhat from making an expensive presentation from fear of unfavorable publicity.

This is not to minimize the importance of enacting laws to regulate lobbying. It is rather for the purpose of showing wherein a law is defective and to show that reliance cannot be placed upon a regulative law alone. Other developments must go along hand in hand, as will be shown pres-

¹ Representatives of three strong groups in Washington told the writer that they favor the passage of the Caraway bill because it might reduce the amount of secret lobbying and would not interfere in any way with their activities.

ently, if any material results are to be obtained in preventing undesired influences in legislation.

WHAT A REGULATIVE LAW SHOULD CONTAIN

A regulative law in its content should clearly define lobbying. It should contain specific mention of what practices constitute lobbying and should enumerate what constitutes proper and improper lobbying.

Provisions requiring registration and the filing of expense accounts should be included. Contingent compensation should be forbidden. Reports of expenditures at short intervals during the legislative session should be required so that the information may have a bearing on the legislation for which the expenditures were made. Such reports if obtainable before the passage of the legislation could be used by the legislators in determining their action on the bill and also would be at hand for use by the executive in reaching a decision when the bill reached him for action. The bill passed by the Senate provides for monthly reports but that period seems too long, for a great deal of important legislation may be enacted in a month's time, especially during the last month of the session.

In providing penalties, provision should be made for disbarment of persons violating the act from service as lobbyists. A former member of the New York State Senate recommended that lobbyists "who use deception and disingenuous methods should be subject to the penalty of disbarment which a lawyer suffers when he misrepresents facts to a court."¹

¹ F. M. Davenport, "Impressions of a Modern Legislator," *The Outlook*, CXXII.

The English practice of regulating Parliamentary agents includes disbarment. If parliamentary agents, who upon registration are allowed to appear before committees in the interest of private bills, violate any of the rules or are

And, most important, some method of enforcement should be provided. The law should require some authority to examine reports and investigate their accuracy. The fact that some authority had such power would do much to insure more accurate reports for fear of unfavorable publicity and penalties for not doing so, and if greater accuracy of reports could be obtained, expenditures would be kept down by lobbyists. A good method of enforcement would be to entrust enforcement to a committee of the legislature with the committee existing during the session of the legislature and as long afterwards as necessary with power to compel testimony and to make whatever investigations were necessary. Such a committee could reach out and look into lobbying activities wherever they found evidence of such, and in that way could investigate the indirect methods of lobbying as well as the direct.

OTHER DEVELOPMENTS NECESSARY

But other developments need to go hand in hand with laws to regulate lobbying. One of such developments concerns legislators' sources of information. Any improvements made in strengthening the impartial sources of information available to legislators helps to decrease their reliance on lobbyists. The Legislative Reference Bureau of the Library of Congress, as was shown, is now performing a useful service in that respect and is expanding its usefulness from year to year. Congressmen are placing more and more reliance upon the Bureau as an impartial source of information.² There can be no doubt that to some extent the

guilty of professional misconduct they are liable to temporary or absolute disbarment at the pleasure of the Speaker of the House of Commons. (Sir T. Erskine May's *Parliamentary Practice*, p. 691-3.)

² *Supra*, p. 55.

Bureau has decreased the dependence of Congressmen upon lobbyists for information.

The purpose of placing information at the disposal of legislators was back of the development of legislative reference bureaus in about two-thirds of the states. Broadly speaking, the state bureaus supply general reference and bill drafting services and where efficient bureaus exist, as in Wisconsin and Indiana notably, the legislators find them of great service. Lobbyists' information is not as necessary where an effective bureau operates and the hold of the lobbyist on the legislator is diminished.¹ At Washington bill drafting service is furnished by the Legislative Drafting Service, which is apart from the Legislative Reference Bureau. The Service is under the direction of two draftsmen having the title of Legislative Counsel to the Senate and the House, one appointed by the President of the Senate and one by the Speaker of the House. The Service is not at the disposal of individual legislators but is available only to the committees. The aid to Congressmen is, therefore, limited. An expansion of the service would undoubtedly place Congressmen in a more independent position.

The recommendation was made in 1924 by Huston Thompson of the Federal Trade Commission that a Government Bureau of Information be established to act as a guide to the public in all matters of administrative activity. Among other activities he would have the Bureau issue a current government bulletin to supply a record of department activities and make immediate publication of government contracts. With such a bureau in existence the business world, he said, would not need

to depend so much on lobbyists.² His idea regarding a current government bulletin finds its expression to some extent in the *United States Daily*.

Some impartial aid is being given by private agencies to legislators and administrators and any improvement in such services decreases the reliance which must be placed on lobbyists. Chief of the private agencies is the Institute for Government Research in Washington, the aim of which is to place its resources at the disposal of both the legislative and administrative branches of the government. Also its aim is to do for the national government what bureaus of municipal research and similar bodies do for municipalities. The Institute is well equipped to do elaborate research and make the results available.

Some of the universities have given valuable help in the way of general reference and bill drafting services to state legislators.³ Since most universities have a department of government they might well establish closer cooperation with the state government for supplying reliable information.

There are a great many governmental departments and bureaus having information in their possession available to legislators. A great deal of information is now furnished but any improvement in methods of keeping legislators supplied with information frees them from the lobbyists' services. The question needs to be considered whether legislators, especially Congressmen, have adequate facilities in the way of assistants and funds to collect the information necessary to their work. If Congressmen could feel able to have in their offices well trained re-

² *New York Times*, March 20, 1924.

¹ For a discussion of legislative reference bureaus see the study by John Leek entitled *Legislative Reference Work*.

³ See discussion in John Leek, *Legislative Reference Work*, of service given by University of Texas, University of Colorado, and Columbia University.

search assistants they would undoubtedly be able to have a greater supply of impartial information at hand when needed.

For lobbying activities which influence the outcome of elections resort must be had to corrupt practices acts for controlling the lobbyists' activities. Any strengthening of corrupt practices acts, federal and state, will tend to decrease the influence which lobbyists have over elections.

ATTEMPTS TO REGULATE PROPAGANDA

Practically nothing has been done by the state or federal government to regulate the issuance of propaganda.¹ A beginning would be to require that all propaganda issued must show its source, and other restrictions on the ever increasing flow of such material may be found practical.

Two bills have been introduced in the present Congress by Senator Walsh of Montana aiming to regulate the use of propaganda. One bill makes it unlawful for any person or corporation engaged in interstate commerce to pay a teacher or member of a school board to write or revise a text-book in any school or to pay for teaching any doctrine or theory for their benefit. The second bill requires publications to indicate the source of all printed matter for pay or furnished in substance by any person, corporation, or association paying for display advertising.

Those bills indicate that Congress is coming to a realization of the effects of the unrestricted use of propaganda in controlling public opinion.

A great many improvements need to be made within legislative bodies themselves. In general any developments which bring the legislative process more into the open decrease the effectiveness of lobbying. Methods of appointing committees need to be improved,

¹ See *Indiana Law*, *supra*, p. 68.

safeguards need to be set up against the practice of rushing bills through near the end of sessions, improvements in conference committees and in the regular committee methods, and the decrease of special legislation would all work to decrease the opportunities of lobbyists.² As stated by Professor Holcombe, "the legislature cannot reform the lobby unless it first reforms itself."³

It is maintained by the advocates of proportional representation that lobbying would be decreased if legislators were selected by a system of proportional representation. Legislators, it is claimed, would be released from local pressure and individuals with common interests could unite to select their legislators.⁴

ATTEMPTS TO ORGANIZE A PEOPLE'S LOBBY

There have been attempts to organize at Washington the people's lobby to look after the people's interests in legislation. In 1920 the National Community Board, as related by Senator McKellar, was organized in Washington, designed to be the people's lobby. The development of the Board was the outcome of weekly conferences among fourteen departments of the federal government working with the community representation problem. The Board aimed to promote the development of local communities into little democracies with school houses for their capitols. There, it was planned, questions would be debated and de-

² The late Senator Underwood proposed as a remedy the removal of temptation for class advancement though political power by decreasing paternalism and divorcing the federal government from any intimate association in the domestic affairs of the people. (Oscar Underwood, *Drifting Sands of Party Politics*, p. 410.)

³ A. N. Holcombe, *State Government*, p. 285.

⁴ For further comment on P. R. see below, p. 89.

cisions reached. Also the Board was to act as a clearing house for numerous governmental and volunteer agencies interested in the community problem.¹ Another attempt is that known as the People's Legislative Service. The agency has existed for about seven years and has as its chief activity checked and made available the votes of Congressmen. Also a bulletin, *The People's Business*, is put out regularly giving information about what is going on in Congress.²

¹ *New York Times*, March 9, 1924, article by Senator McKellar.

² The Agency during its seven years existence claims the following accomplishments:

(1) Brought about the first conference of progressive senators and representatives of both parties.

(2) Exposed the threatened market manipulation of the sugar industry.

(3) Compiled material establishing the truth about railroad wages.

(4) Analyzed and refuted claims of railroads in seeking tax exemption of foreign trade profits.

(5) Exposed shipping scandals and attempt to destroy Seamen's act.

(6) Helped to expose combination to reduce railroad wages.

(7) Prepared and made effective use of pamphlet "Are Wages Too High?"

(8) Collected material with which to fight open shop campaign.

(9) Coöperated in behalf of workmen's compensation bills.

(10) Rendered effective service in preventing enactment of vicious anti-sedition bill.

(11) Helped to kill anti-strike bill.

(12) Initiated active campaign to defeat attempts to repeal primary election laws.

(13) Exposed bread trust combine.

(14) Led fight in behalf of public against false and exorbitant valuation of railroads.

(15) Rendered valuable service in the Tea Pot Dome and Daugherty investigations . . . organized and directed the national Wheeler Defense Fund Committee.

(16) Fought successful fight for rejection by Senate of Chas. B. Warren as Attorney General of the United States.

(17) Rendered valuable service in behalf of the public and the miners in the Senate investigation of the coal industry.

(18) Fought the power trust in its effort to capture Muscle Shoals and Boulder Dam and to

A very recent attempt has been made to set up an organization by which the people will have representation at Washington. The organization bearing the name "The Peoples' Lobby," with John Dewey as President, has hundreds of members scattered throughout the country. Permanent headquarters are maintained in Washington and the organization has a program of legislation which it is urging upon Congress.³ Two methods of influencing legislation are used: facts and ideas are presented to Congressmen and bills and resolutions submitted through progressive Senators and Representatives, and information is given to the public through pamphlets, press releases and other material sent direct to members. Because the organization has been in existence but a short time no estimate can be made of its effectiveness as a lobbying organization.

But regardless of the attempts which have been made to maintain a people's lobby, the late Senator Underwood complained that "the plain people are

escape investigation by the U. S. Government.

(19) Furnished facts, figures and personal co-operation to senators and representatives in behalf of farm relief.

³ The program of The Peoples' Lobby for 1929 includes the following measures:

(1) Increasing Federal surtaxes and estate tax and retaining the proceeds for the Federal Government and repealing and reducing taxes on consumption.

(2) Preventing exorbitant tariffs on necessities of life.

(3) Creation of a Federal Relief Board for children.

(4) A publicly owned giant power system.

(5) A Congressional investigation of our record in Nicaragua.

(6) A Congressional investigation of concessions Americans have obtained abroad.

(7) Getting international investment bankers of the U. S. to agree upon a policy with respect to loans to foreign governments and foreigners.

(8) Getting an international conference on the distribution of the world's raw materials. (Pamphlet-Program of the Peoples' Lobby for 1929.)

not organized; they have no agents at the capitol of the nation to protect their interests; they are often misinformed and misled by untruthful propaganda."¹

The program which has to be followed to regulate lobbying, it can be seen, is a broad one. The develop-

ments which have been discussed here are not all-inclusive but are mentioned as the chief ones which need to be made. Because the program of regulation is such a broad one it is not likely that results of consequence will be obtained from any one of the methods.

CHAPTER VI

CONCLUSIONS

ENOUGH evidence of lobbying and its influences on legislation has been given in previous chapters to show that one studying the process of legislation does not obtain a complete picture if only the activities of elected representatives are considered. The lobby must be included as an important part of the legislative machinery and as having much to do with influencing administrative action. It may properly be called a "third house" or an "assistant government" but not an "invisible government." The important lobbying activities today are not done under cover; perhaps not as much as are the activities of the elected representatives.

The question of the desirability or undesirability of the lobby institution as an important part of the system of government arises. Does it perform services or is it detrimental? Before an appraisal of the institution can be made some of the important effects resulting from its existence should be noted.

Lobbyists have had some important effects on the work of legislators. In the first place they render service to legislators and administrators by acting in an advisory capacity. As advisers they introduce facts, viewpoints, and considerations which otherwise would be overlooked or would be beyond

the legislator's capacity to acquire. Through the activities of lobbyists legislators have a supply of information and counsel which would require endless time and expense should they themselves have to acquire it. It is as advisers that lobbyists render their greatest service. If they act in good faith as advisers they help to bring public opinion to bear upon legislators and serve a useful function in the process of representative government.

One of the chief duties of lobbyists at legislative centers is to serve as the eyes of the interests which they represent. They keep the constituents of legislators informed of what takes place. It has been pointed out by students of public opinion that if representative government is to function properly some means must be devised of translating complex governmental questions into simple formulas so that the people generally may arrive at decisions on such matters.² That function lobbyists perform. They not only reduce questions to simple proportions but show constituents how the proposed solutions of the question would affect their interests.

And there is another important point to notice. Without lobbyists the representation of an individual consists in helping to elect his legislative representatives. If the candidates for whom he votes are not successful there

¹ Oscar Underwood, *Drifting Sands of Party Politics*, p. 410.

² Walter Lippman, *The Phantom Public*.

is no representation according to his choice. The individual finds a new method of representation at hand through lobbyists—a method of helping to direct representatives after they are chosen. That method lies open whether or not his vote has helped to elect representatives. It is a method of continuous representation, not only to determine whether legislators carry out the program on which they were elected but to give new direction as new problems arise. When this continuous method of representation is coupled with the work of lobbyists in translating problems to understandable proportions, there arises effective representation of a new order more influential in securing results in legislation than the old method of helping to place legislators in office.

There can be no doubt that lobbyists have brought the activities of legislators more into the open. Legislators now find that their legislative activity must be carried on under the close scrutiny of keen observers. There is little that goes on of any importance during a legislative session which escapes their attention. For nearly every important bill there are lobbyists on each side keeping an eye on every action of the legislators. Constituents would have much less information about the activities of their legislators were it not for the surveillance of legislative sessions by lobbyists. The growth of the lobby institution has played an important part in decreasing invisible government, so much complained about three or four decades ago.

In bringing the activities of legislators more into the open some lobbyists have kept legislators more representative of their constituents. Such lobbyists are those whose strength lies in membership. Lobbyists whose strength rests upon an extensive mem-

bership in legislative districts have become very efficient in keeping the legislators close to their constituents. They prevent them from being led off by other lobbyists or from becoming subversive to the interests of some other area. The greater the membership behind a lobby the more justification there is for its existence. Some legislators, when approached by lobbyists, follow the practice of inquiring as to the number of people they represent. The practice of holding legislators close to their constituents is not an unalloyed service. While legislators are supposed to represent their constituents they have also the duty of keeping an eye on the public interest and lobbyists, in holding them close to their constituents, may force them to disregard the public interest. Moreover, legislators are supposed to contribute something to the consideration of legislation from their own judgment even when at times running contrary to the opinion of their constituents, and, hence, the pressure of lobbyists may decrease the use of their independent judgment. Many of the bad judgments of legislators with respect to matters affecting the public interest can be traced back to the circumscription of their freedom of decision by constituents.

One of the chief methods of lobbyists in holding legislators close to their constituents is, as was shown in previous chapters, to cast influence in primaries and elections. Lobbyists are not satisfied to merely direct legislators after they are elected—they are now taking part in electing them. The lobbyists, backed by large membership, appeal to that membership for their votes. The lobbyists without membership use propaganda and campaign funds.

The work of lobbyists in influencing elections shows that there has been an important change in the methods of

securing legislative favor by interests. Lobbyists representing large membership have to some extent broken up the practice which long existed of making bargains with legislators after they had taken their seats. They have forced interests seeking favorable legislative action to go out to the legislative districts to plead their cause. It is a welcome change for it throws the bargaining process into the open and assures victory to the lobbyist with a membership large enough to hold the balance of power in electing legislators. Representation, therefore, rests upon greater numbers. Legislators, whether or not they choose, must give more regard to the wishes of constituents, less to personal motives.

It occasionally happens in legislative districts that the lobbyist with propaganda and campaign funds has no lobbyist with large membership to oppose, and in such cases control over the legislator's political life or death can be demonstrated which may reduce the legislator to the position where he obeys commands even when he knows he is not acting according to the will of his constituents. Such activities of lobbyists have gone beyond the bounds of self-restraint and are very apt to act to render the legislator more and more a politician, less and less a statesman, and cause a breakdown in representative government. The charge of hypocrisy, that legislators vote one way when their real opinion favors opposite action, is often made today and for the cause one can look to the lobbyists.

There is a balance to be struck. If held within limits the lobbyists perform a useful service in bringing the opinion of constituents to bear upon legislators and in revealing to constituents the activities of their representatives. But the practice of using self-restraint has been more honored in the breach than in the observance, especially in state

legislatures, and accordingly lobbyists have exercised an undue influence upon legislation and have led an outstanding authority on state government to point out the lobby as one of the principal causes for the decline of the state legislature in public esteem.¹

The non-partisan attitude of lobbyists has some important affects. The lobbyists are interested in measures and not in candidates and accordingly they support the candidates who hold most promise to them to secure the enactment of their measures. The lobbyists exercise control over millions of votes. Because they more closely represent the vital interests of their membership their control is a stronger one than is that of the political party. The parties, therefore, court the lobbyists, promise them legislation, insert planks for their benefit in their platforms, and take their wishes into consideration in selecting candidates. The parties have much to gain by securing the support of lobbying organizations. By such acquisitions they have won to their side campaign support in the form of funds, workers, propaganda, and votes of the members of the organizations.

The parties then instead of being based on an individual membership basis are more and more resting upon groups and relying upon those groups to establish contact with their membership. If one but observes political party platforms there can be seen this plank and that inserted in order to secure the support of lobbyists and their organizations. When campaign time comes the parties can be seen angling for the lobbyists' support. The voice which political parties hear now is the voice of groups rather than that of political leaders who professed to speak for the people. Such a situation, that parties shall rest on groups, is

¹ A. N. Holcombe, *State Government*, p. 278.

well and good if every interest group has an effective organization. If not the individuals comprising such a group find that the control of the political parties has fallen into the hands of those strongly organized. The farmers of the country, for instance, whose organization is a recent one, found that organization was indispensable, if they were to exercise their share of influence in party circles. If, as some writers think, legislative bodies should officially recognize interest groups the same should be urged for such recognition from political parties. If the lobbyists and their organizations are to exert their influence on parties the best way they can without official representation, there is too great probability that a strong organization or an alliance of organizations will exert undue control.

It is not to be thought that lobbyists always work through parties. They do so as far as expedient. Because

And then the non-partisan policy of lobbyists has an important effect upon the control of the parties over legislators. In order to control legislators the parties would have to prove that they were more powerful in determining the election or defeat of candidates than are the lobbyist organizations. But as compared with many lobbyists, especially those with extensive membership behind them, such is not the case. Accordingly the lobbyists cause party lines to be broken by legislators in their actions on legislative measures. One has only to examine the votes of members of Congress in recent sessions to see that party lines are freely crossed in voting on legislation. The following table will indicate to what extent the practice existed in the Senate during the first session of the sixty-ninth Congress. Fourteen bills for which the votes were examined were selected at random from among the important bills.

VOTES ON BILLS IN FIRST SESSION, SIXTY-NINTH CONGRESS

Bills	1		2		3		4		5		6		7		8		9		10		11		12		13		14	
	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.	For.	V. S.
Republican ..	8	34	34	6	24	17	17	30	11	27	9	40	13	37	12	36	16	32	31	16	9	30	25	13	10	29	34	7
Democrats ...	26	2	12	13	13	13	28	9	27	2	5	29	15	15	13	19	16	16	18	10	4	26	14	10	9	15	25	2

they also operate independently the parties find a rival system in existence for controlling offices and influencing legislation, no more unofficial than themselves. There can be no question that the development of lobbying organizations has caused some decline in the importance of the position which parties have held. The new system differs materially from the parties in that there has not yet developed an oligarchy and consequently influence in the new system comes from many sources. And because of the lack of unified control the system is apt to claim more popular approval.

The table speaks for itself. The votes clearly show that party lines were not maintained by the Senators in voting on the important measures during that session of Congress. Party lines were freely crossed in voting on measures in the seventieth Congress. During the first session in voting on the McNary-Haugen bill 101 Republican representatives voted for the bill and 68 against as compared with 100 Democrats voting for and 53 against. In the Senate the party vote was as badly split with 24 Republicans for and 14 against; the Democrats voting 28 for and 9 against. When the question of

overriding the President's veto came before the Senate the party vote again was split with 20 Republicans and 29 Democrats voting for and 19 Republicans and 12 Democrats voting against.

Again in the first session of the seventieth Congress in voting on the Caraway bill to regulate cotton exchanges the Senators cast 11 Republican and 15 Democrat votes for and 28 Republican and 19 Democrat votes against. In voting to strike out the time clause in the naval construction bill the vote was 16 Republican and 11 Democrat votes for, and 26 Republican and 28 Democrat votes against.

There is much evidence to indicate that party control over legislation has been shattered and in producing that effect lobbyists have played an important part. The same tendency manifests itself with respect to offices.

There is, then, a shifting of control of legislation and offices from the party to lobbyists and their organizations. Such a condition has a profound effect on party responsibility. There has been no readjustment of attitude toward party responsibility, parties are still held accountable for legislation and officials as much as ever in the thinking of the public, but indications are that parties are being held responsible for matters over which they do not have control.

Such a condition is most favorable to the lobbyists, for control without responsibility gives greater freedom of action. It is the parties which are doomed to suffer from such an arrangement, for if they continue to be charged with responsibility for performances over which they have no control there is every probability that they will sink in the public's estimation and confidence will be placed elsewhere, perhaps in the lobbyists and their organizations.

Legislators oftentimes find themselves in difficult positions when their

party and the group which has some control over their election differ on legislative measures. If the group has strong control, usually through large membership, the legislators desert the party in favor of the group. The American Federation of Labor, American Farm Bureau Federation, and Anti-Saloon League, among others, have at times caused large numbers of legislators to break away from their party's stand on legislation. When legislators take such action it is good proof that they feel that the group has more control over their election or defeat than has the party.

Such allegiance, when coming from a considerable number in the legislative body, manifests itself as a bloc which respects the lobbyists' demands rather than the party. The farm bloc became notable because it included enough members to hold the balance of power in legislation, but it does not stand alone. There are other blocs—labor, tariff, prohibition, and others—although lobbyists with large membership have the advantage in forming and maintaining legislative blocs.

Although legislators at times are placed in most difficult positions, the activities of lobbyists in helping to break up the straight party vote will be hailed as an improvement in legislative bodies by many. By those who place their whole reliance upon party responsibility, the splitting of party control will appear as a backward step. It is the opinion of the writer that there is a gain. The party in confronting the lobbyists will have to make allowances for their strength and in so doing will be admitting more and more voices to the party councils. The lobbyists will make it more difficult for a mere handful of men to draw up a program of legislation and secure its ratification by the party members through the partisan appeal. It cannot be said, how-

ever, that independence of action on the part of legislators is promoted. They give up one master to accept another.

While legislators have no greater independence, perhaps not as much, when controlled by lobbyists rather than parties, there is the important difference that they are, in complying with the demands of the lobbyists, representing interests rather than an organization. Individuals have closer representation through lobbyists whose organizations rest upon interests than they had through political parties. In political parties the voice of minorities is silenced for the good of the party. When minorities perfect their own lobbying organizations and act directly they cannot be silenced. National parties, which have to bend individual interests to promote party harmony, will find difficulty in competing with organizations which have no such restrictions. Some of the interests are undoubtedly better advanced than others by lobbying organizations and claim legislators' support in undue proportion, but the friction between groups tends to cut down the influence which any one group can have. Instead of the straight party vote there is a tendency for the forces which enter into legislation to return to realities and to widen their scope.

There is another probable effect of the non-partisan attitude of lobbyists. There is strong reason to believe that it will have an important bearing on party affiliation.

It is well known that party affiliation in this country has remained of a hard and fast character with little independence of action. In the majority of cases it can safely be said affiliation has been of a "hereditary" nature, passed on from father to son. Whether the party in question would best promote the individual's interests was never questioned.

But now comes the non-partisan lobbyist organization to proclaim the individual's affiliation. There are members of all parties included within a lobbying organization and the members feel that the lobbyists for the organization are promoting their best interests. The lobbyist questions the parties' policies and may recommend that one or other of the parties be accepted for the time being by its members, to support it with funds and with votes. And there is good reason to believe that the lobbyists' instructions would prevail. The important point to be noted here is that party support will decreasingly be obtained through hereditary affiliations, or because of the party's history, but will be obtained because of the party's stand on measures affecting interests throughout the country.

Another outstanding consideration arising from lobbyists' activities has to do with the effects on public opinion. Lobbyists are actively engaged in attempting to mould public opinion. The activities of lobbyists give rise to a great share of the propaganda material which floods the country, all of it having for its purpose the formation of opinions. Propaganda is scattered throughout the country, as was seen previously, through every conceivable channel. Some of the material sent out performs a distinct service in an educational way. It does so if it presents facts in an unbiased manner. If all material was of that nature all would be well and good, but it is safe to say that the larger share of it is biased. In preparing material in cases the proper facts are not gathered, in others proper emphasis is not given to facts, some facts are left out completely, and direct falsification of material takes place. The material may or may not indicate the source and may appear in channels where the reader never stops

to question what he reads. It is safe to say, for instance, that material placed in the hands of high school students as part of their assignments would be accepted without question as would material reprinted by newspapers as news which shows no source.

There is here an important consideration. In the first place the fact that lobbyists are conducting extensive activities to mould public opinion is significant. It indicates that there is a great deal of control of government by public opinion. There is indication of a healthful condition of representative government where interests, instead of being able to get what they want by bargaining with a few, have to go to the people with their program. But it now appears that lobbyists and their organizations are playing an increasingly important part in helping to form opinions. The question then arises whether public opinion as the basis of government will be as sound and desirable if lobbyists play a large part in moulding that opinion.

Opinions in large measure are formed from information which reaches individuals and if the wells of public information are to be poisoned a healthy public opinion cannot obtain.¹ Opinions will be built on biased information with the result that group interests rather than the public interest will be served. Lobbyists constantly follow the practice of identifying their activities with the public interest in order to still further deceive the people into believing that their issue of propaganda is unbiased. There is counteracting material put out by opposing groups for some of the propaganda which appears, and the effect of propaganda is

¹ In his study of American political life, André Siegfried asserts that "were it not that the public allows itself to be led away by highly organized propaganda, it would indeed be a perfect type of democracy." (André Siegfried, *America Comes of Age*.)

diminished thereby, but the advantage is to the group which most skillfully and extensively presents its case.

The question arises whether the federal and state governments will have to take a hand in regulating the issue of propaganda. Some action has been taken in states as was seen in the previous chapters, and the Walsh Resolution² would secure some supervision by the federal government.

The schools are awakening to the danger of the unrestricted use of propaganda among students. Following the disclosure in the public utilities investigation a national "Save-Our-Schools Committee"³ was formed to combat propaganda in educational institutions. The Committee started its activities by presenting evidence of propaganda material placed in schools to the American Federation of Teachers and the National Education Association, and by both of those organizations resolutions were passed strongly condemning the practice. The Secretary of the National Education Association called it "a crime against youth," the President of the American Federation of Teachers termed it "the greatest crime against civilization." The intention of the Committee is to ferret out propaganda from the schools and activities in that respect are now under way.⁴

There is no more important problem

² *Supra*, p. 76.

³ The Committee is made up of more than 70 men and women in the educational world, with Bishop Francis McConnell as chairman, and Professor John Dewey of Columbia University and Mary E. Woolley, President of Mt. Holyoke College as vice-chairman. Members from 25 states are on the Committee with most of the outstanding universities represented. The People's Legislative Service of Washington promoted the organization of the Committee.

⁴ Information was given to the Federal Trade Commission in the utilities investigation that the matter of subsidizing teachers' salaries in order to change their economic opinions was considered.

raised by lobbyists' activities than this one of indirect lobbying through the use of propaganda. It is important because it strikes at the source of political power and because it is most difficult to regulate. The method of regulation which holds most promise is to bring the issue of propaganda into the open by requiring the source to be shown. Once the source is known the reader can evaluate the material.

The late Senator Oscar Underwood believed that the activities of interest groups result in placing restraints upon the freedom of action of individuals and as evidence of such he cited the activities of the Anti-Saloon League and the Ku Klux Klan. If the activities of an interest group result in securing the desired legislation then it goes without saying that the individuals not in that group may find themselves subjected to restraints which they had no share in bringing about and of which they disapprove. A majority may be secured in a legislative body through the activities of lobbyists for interest groups which would not otherwise be obtained.

It is feared by some political observers that lobbyists' activities often result in a triumph of the minority over the majority. It is felt that a minority ably captained and well financed may secure a legislative majority which does not represent a popular majority. The "wets" assert that the Eighteenth Amendment was such a triumph. A Washington correspondent in a recent article places the cruiser bill reduction in that class.¹ With the skillful use of propaganda and campaign funds the minority can triumph and such a victory is no unusual occurrence. Considered from that standpoint the development of lobbying organizations presents a challenge to the operation

of democratic government—if by democratic is meant majority rule.

On the other hand, it cannot be denied that a great deal of beneficial legislation has come about through the pressure of lobbyists. Some authorities go so far as to say that progress comes largely through minority legislation.² Reform movements almost invariably have their inception in small minorities.

The value of a lobbyist's service of course is not considered the same by all people. It is, therefore, a difficult matter to determine which are useful lobbies and which detrimental. The anti-prohibitionists, for instance, would give the Anti-Saloon League a low rating—the dries would hail it as a saviour. However, there are some practices which would be generally condemned by fair-minded people—practices of the nature of bribery, coercion, underhanded dealing, falsification, false pretenses.

And then with individuals it is found that a great deal of self-restraint is necessary if society is to function at its best. An individual is readily condemned if he steps over the bounds of self-restraint. The situation should be no different when it is an organization rather than an individual which is concerned. It is just as possible for organizations as individuals to lack restraint. If such is the case influence is exerted out of proportion to what is deserved. President Hoover, a few years ago, in commenting on the growth of the national associations asserted that "if these powerful national organizations are to expand their claims for special favor in the community into a great conflict then the whole fabric of our national life has gone by the board." But he commented further that "if, on the other hand, there is developed a practical step in coöperation between these great groups, w

¹ F. M. Wile, "Government by Propaganda," *The Outlook*, Dec. 26, 1928.

² W. F. Dodd, *State Government*, p. 202.

will have laid the foundation of a new economic era."¹

The lobbying organizations are demanding special favor in the community and are expanding their claims, some of them by every conceivable means, fair or unfair. Their activities are detrimental to the whole interest of the country. It has been their unrestrained and selfish activities which have brought about the organization of "The Peoples' Lobby" by a group of public-spirited citizens in order to protect the public interest against their self-seeking designs. The aims of democratic government are not promoted but are made more difficult of attainment by the special, unrestricted claims of lobbyist organizations. Until those organizations restrict their activities in behalf of the public interest the services which they perform will, in the main, be crowned with harm.

It has been asserted by political observers that the growth of groups indicates a breakdown in the geographical system of representation, and that a system of occupational representation is developing. One writer asserts that those promoting group representation are bringing the soviet system of Russia nearer and nearer.² Others maintain that the increase in the number of lobbyists and their organizations indicate that representation should be given somewhat after the fashion of the economic councils of several countries of Europe.

There are several considerations which should enter into such reasoning. In the first place it cannot be established that lobbyists and their organizations have come about through their own free choice. Many, and there is no saying how great is the proportion,

have been formed for the purposes of self-protection. Just as there are some individuals who will seek their ends by all conceivable means so there are interests which will do the same. Some will resort to unfair tactics while others bring pressure and secure concessions out of proportion to what they are entitled to have.

The establishment of lobbies by a very small number of interests is sufficient to start the process of lobby building. Lobbies propagate lobbies and once the process is started the growth goes on apace. Many lobbyists would choose to place their reliance upon the free choice of legislators if they could confidently feel that other interests were not bringing influence to bear. Therefore, the existence of a great number of lobbyists by no means of itself indicates that the geographical system of representation has broken down.

There is another consideration. When dealing with the question of representation of interests the Executive's Cabinet must be given a great deal of attention. The Cabinet in a broad way represents the interest groups throughout the country. Agriculture, Commerce, and Labor, among others, are represented in the President's Cabinet and in some states groups have their representation in the department heads surrounding the governor. In Pennsylvania, for instance, are found among others a department of Mines, Agriculture, Labor and Industry, Banking, Welfare, Health, and Education.

The heads of those departments are not selected from geographical areas but are selected at large. There is no binding control of constituents. They are in an excellent position to investigate the needs of the interests falling within their jurisdiction, to furnish information and advice, to

¹ F. G. Crawford, *Readings in American Government*, p. 226.

² D. Wilhelm, "Washington Soviets," *Forum*, Nov., 1925.

receive representations from the interests, and to present their case to the legislative bodies. It is now a common practice for committees in Congress, considering important bills, to submit them to the departments concerned before taking action. With the departments responsible for taking care of the various interests there would be the advantage that some harmony could be brought out of conflicting opinions, an advantage which is not achieved under the present unofficial system of representation, and another great advantage would lie in the fact that the department, not being bound by constituents, could weigh each interest's claims in the light of the public interest.

It is the writer's conviction that most of the lobbies which now exist have been formed for defensive purposes and when anyone starts out to condemn the lobbies that consideration should be kept in mind. If it is, a more sympathetic attitude will be taken toward the whole institution. All lobbies should not be condemned because a few interests saw fit to use undue influence in the beginning. There are interests which feel that they would be legislated out of existence because of the action of other lobbyists if they were not on hand to defend themselves. Lobbies are expensive to maintain and many interests would like to be spared the expense.

Legislators whose actions have been controlled by selfish interests have undoubtedly played a part in building up the institution and notice may be served that the executive departments are not adequately representing the interests for which they stand and are not furnishing a satisfactory medium of expression of opinion to those interests. Greater recognition on the part of Congress of the importance of the departments to speak for interests

would do much to build up that phase of the departments' activities.

In considering the effectiveness of lobbying activities there are some limitations which should be kept in mind. For most important legislation there are conflicting interests and lobbyists are found arrayed on each side. Before the bill is acted upon both sides of the question have been given a great deal of publicity by the lobbyists. If lobbying takes the form of influencing elections it is often found that candidates are able to call groups to their assistance to match opposing groups. Of course lobbyists on one side may have the resources to outstrip their opponents and consequently the advantage is theirs. While there is an interplay of forces it is a rough arrangement with no assurance that the forces are in somewhat the same proportion or, what is more important, that there will be pressure on both sides. It has been found that in most cases there is a sad lack of proportion in bringing influence among opposing lobbyists.

Another factor which cuts down the freedom of action of lobbyists lies in the nature of many of the lobbyist organizations. There are some organizations which include such a variety of interests that the work of the lobbyist in maintaining a balance is a delicate one. A good example is furnished by the lobbyists interested in labor legislation. In order to secure harmony of action a conference on trade union legislation is called from time to time in which some forty labor lobbyists participate to thrash out their problems. No action is taken until a unanimous decision is reached. In the reaching of that decision compromises have to be made all along the line and in the interest of harmony some lobbyists have to throw over measures which they individually prefer. In the

Chamber of Commerce of the United States are represented both big business and small business. There are questions, such as that of surtaxes, when many shades of opinion exist and in such cases the organization has to adjust its action accordingly. The American Farm Bureau Federation represents a host of interests and when dealing with a question such as the tariff it has to tread with precision. After a definite decision on a question has been formed the lobbyists are free to go ahead but it is in the reaching of the decision that the leveling process takes place.

It should be observed, as was pointed out above, that a new order of representation has come about. Individuals no longer can safely feel that their representation has been acquired when they have helped to elect legislators. They now must direct their representatives, not individually but through organization. It has been contended that the individual now must find his place in one of the lobbying organizations if he is to have effective representation and there is much truth in the assertion.

The individual is not confined to membership in one lobbying organization. He may belong to several. If, for instance, he is a farmer he may be a member of the American Farm Bureau Federation, he may as a church member find representation through the Federal Council of Churches, if he be a "dry" he can find representation for his prohibition sentiment through the Anti-Saloon League as well as the Federal Council of Churches, if a veteran of the World War he may find representation through the American Legion, and so on. There is an array of organizations to which individuals may turn and give their support in order to make representation for their interests effective. And the

great advantage is that individuals are not confined to political boundaries in allying themselves to bring pressure.

It can be argued that there is placed upon the individual a new duty. He has not done his share in helping to form the laws under which he will be governed when he has cast a vote for his representatives. He now must choose the organizations which are promoting his interests by bringing pressure on legislators and support them in their activities. If he refrains he will find that those organizations are not able to compete with others whose membership does give support and accordingly his interests may suffer. It is now organized action, not individual, that triumphs in influencing legislators.

The individual, in seeking representation through lobbying organizations, finds a system in its operation resembling that of proportional representation. Like-minded individuals wherever they may be located throughout the country may unite for common action. Whether done voluntarily or for purposes of self-defense there is being grafted upon the official geographical representative system a system of representation at large. The farmer in Kansas finds that his real interests are more in common with the farmer of Nebraska and Illinois than with the manufacturer in his Congressional district. And the manufacturer in Pennsylvania finds with many questions that arise that he shares the opinions of manufacturers wherever they may reside. For that reason it is a certainty that individuals will find it to their benefit to join a group and support it with funds and votes when they find one that has demonstrated that it is sincerely promoting their interests.

It is urged that a system of proportional representation for the election

of legislators with election from large districts or from the states at large would allow individuals with common interests to unite in selecting their legislators and would bring representation nearer to an interest basis. Through that system would be accomplished officially to some extent what is now being accomplished unofficially when an individual joins an interest group. Proportional representation, if given large enough districts in which to operate, it is urged, would bring about a great degree of occupational representation. Moreover, legislators would be released from the pressure of constituents within a local area. The advocates of proportional representation believe that the lobby can be explained largely by the failure to use proportional representation in choosing legislators.

In attempting to predict what developments are in store for the lobby institution some light may be shed by a comparison of the development of the lobby to that of the political parties. The lobby has grown with freedom from restriction just as did the parties. With freedom from restriction, parties overstepped the bounds of self-restraint and abuses arose detrimental to the public interest. Secrecy of action became the rule and control was centered in a few hands.

Accordingly it was found necessary to bring the parties under public regulation through state and federal legislation. Running through all the regulative measures have been the purposes of bringing the activities into

the open and to bring about more democratic control. While there is continuous criticism of direct primary laws, corrupt practices acts, and laws compelling the election of party officers, it cannot be denied that such laws have played an important part in forcing party activities out into the open. Public opinion now has an important share in the guidance of parties.

It seems that the lobby institution is due to fare as have the parties. There are already serious abuses arising within the system and there has been a lack of self-restraint. It is not at all likely that a system having such an important bearing on legislation and administration will be allowed to go on developing and operating in its own fashion. The regulation which has been made thus far and that proposed has had for its aim to bring the system more into the public view, following in purpose the method which was used to curb the parties. And it seems that as good results in that respect can be accomplished with the lobby as with the parties.

No one has gone so far as to say that parties should be abolished. The demand has been that they operate openly and above board. Similarly no one who has made earnest study of lobbyists' activities would want to put an end to the lobby. But it is reasonable to ask that the lobbyists restrict their activities and act in full public view. If the lobby is to make a beneficial contribution to the process of legislation and administration it needs public guidance.

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